BMM ISPAT LIMITED

Formerly known as B.M.M. Ispat Limited
(CIN: U13100KA2002PLC030365)

21ST ANNUAL REPORT

FY: 2022-23

CONTENTS

Annual Report - FY 2022-23

Particulars	Page No.
Corporate Information	1
Directors' Report & Annexure thereof	2 to 32
Independent Auditors' Report on Financial Statements	33 to 43
Balance Sheet	44
Statement of Profit & Loss Account	45
Statement of Changes in Equity	46
Statement of Cash Flow	47 to 49
Notes to Financial Statements	50 to 123

CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Dinesh Kumar Singhi - Director
- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mr. Pawan Kumar Kedia - Director
- Mr. Krishna Deshika - Independent Director
- Dr. Rakhi Jain - Independent Director

KEY MANAGERIAL PERSONNEL

- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mrs. Swetha S - Company Secretary

STATUTORY AUDITORS

M/s Shah Gupta & Co.,
Chartered Accountants, Mumbai
(Firm Registration No. 109574W)

INTERNAL AUDITORS

M/s DMKH & Co.,
Chartered Accountants, Mumbai
(Firm Registration No.: 116886W)

SECRETARIAL AUDITORS

M/s JKS & Co,
Company Secretaries, Bengaluru
(Firm Unique Code No.: P2015KR040800)

COST AUDITORS

M/s GNV & Associates, Cost & Management Accountants, Bengaluru (Firm Registration No.: 000150)

REGISTER & SHARE TRANSFER AGENT

M/s BgSE Financials Limited,
Stock Exchange Towers,
No.51, 1st Cross, JC Road,
Bengaluru, Karnataka – 560027,
Tele No. 080-41329661;
Email Id: rta_admin@bfsl.co.in.

BANKERS: ICICI Bank Limited

REGISTERED OFFICE & PLANT LOCATION

114, Danapura Village, Hobli
Mariyamanahalli Hosapete Taluq
Vijayanagara (Formerly known as Ballari)
District, Karnataka-583222

CORPORATE OFFICE

No.101, 1st Floor, Pride Elite
No.10, Museum Road
Bengaluru, Karnataka-560001

Directors' Report

To,

The Members,
BMM Ispat Limited

The Board of Directors present the Twenty-First (21st) Annual Report together with the Audited Financial Statements based on Indian Accounting Standards (Ind AS), for the year ended 31st March, 2023.

Financial Performance & Highlights of Operations

The performance of the Company as reflected by its Audited Accounts for the Financial Year ended 31st March, 2023 is summarized below:

₹ in lakhs

Particulars	As on 31st March, 2023	As on 31st March, 2022
Revenue from operations	3,64,466.19	3,78,913.43
Other Income	4,479.53	3,306.44
Profit / (Loss) before Depreciation, Finance Costs and Tax Expense	32,340.22	87,487.38
Less: Depreciation & Amortization	10,995.05	10,107.95
Profit / (Loss) before Finance Costs, and Tax Expense	21,345.16	77,379.43
Less: Finance Cost	4,380.53	9,678.13
Profit / (Loss) Before Tax Expense	16,964.63	67,701.29
Less: Tax Expense *(Deferred Tax)*	4,756.02	17,171.71
Profit / (Loss) for the year (1)	12,208.61	50,529.58
Total Comprehensive Income/(Loss) (2)	68.88	77.67
Total (1+2)	12,277.49	50,607.25
Balance of profit/(loss) for earlier years	1,70,747.04	1,12,889.79
Less: Transfer to Debenture Redemption Reserve	--	(7,250.00)
Balance carried forward	1,83,024.53	1,70,747.04

Key highlights of performance – FY 2022-23

- Total Income for the current financial year is ₹ 3,68,945.72 lakhs as against ₹ 3,82,219.87 lakhs of previous year, declined by 3.47%.
- EBITDA for the current financial year is ₹ 32,340.22 lakhs as against ₹ 87,487.38 lakhs of previous year, declined by 63.03%
- Profit before Tax for the current financial year is ₹ 16,964.63 lakhs as against ₹ 67,701.29 lakhs of previous year, declined by 74.94%
- Profit after Tax for the current financial year is ₹ 12,208.61 lakhs as against ₹ 50,529.58 lakhs of previous year, declined by 75.84%
- During the year under review,
  - Beneficiated ore production was 23,66,263 MT (Metric Tonnes) compared to 27,15,186 MT in the previous year, down by 12.85 %;
  - Pellet production was 21,36,715 MT compared to 24,13,157 MT in the previous year, down by 11.46 %;
  - Sponge iron production was 6,73,643 MT compared to 5,74,099 MT in the previous year, up by 17.34 %;
  - Billet production was 1,34,096 MT against 1,24,924 MT in the previous year, up by 7.34%
  - TMT production from Rolling Mill was 97,062 MT compared to 97,261 MT in the previous year, down by 0.21%;
  - Power generation during the year was 425 MU (Million Units) against 407 MU in previous year, up by 4.49 %.

Dividend

The Board of Directors of the Company has not recommended any dividend for the year under review.

Reserves

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account. Hence, during the year, no amount has been transferred or proposed to be transferred into any reserve account.

State of affairs of the Company

During the financial year, the Company has revised the planned capital outlay of ₹ 87,400 Lakhs to ₹ 1,20,000 Lakhs, towards Blast Furnace project of 0.88 MTPA (Million Tonnes Per Annum) and also to commence its other existing units which are currently non-operating. The revision is mainly due to increase in quantities after detailed engineering and site conditions, increase in material cost, etc., as compared to initial estimates.

Presently, the Company has the supporting facilities for Blast Furnace namely Beneficiation Plant, Pellet Plant, Sponge Iron Plants, Oxygen Plant, Captive Power Plant and other ancillary facilities.

The commencement of Blast Furnace shall result in improving the viability of Steel Melting Shop (SMS) and Merchant Bar Mill and increases the revenue and overall profitability of the Company.

Status of 0.88 MTPA Blast Furnace project

With a strategic focus on improving the viability of Steel Melting Shop (SMS) and Merchant Bar Mill, the Company is in the process of installing its 0.88 MTPA Blast Furnace and is likely to be completed in FY 2023-24, with a CAPEX plan of Rs. 1,20,000 Lakhs. Out of the total CAPEX Planned, the Company has spent around Rs. 40,800 Lakhs as on 31st March, 2023. This project is planned and funded by a mix of debt and internal accruals.

For Capital work-in-progress whose completion is overdue compared to its original plan, please refer Note No. 4B to the Audited Financial Statements as on 31st March, 2023.

Awards

The Company has obtained following awards:

1. "Fly ash Utilization 2022 award Winner Southern region - Efficient Management of CPP (Captive Power Plant) Fly Ash" at the International Residential Conference, Goa, held during April, 2022.
2. At "Water Efficiency 2022", organised by Council of Enviro Excellency and held during May, 2022, the Company has received :
   i) Water Efficiency award in thermal power plants under the category Captive Power Plant and
   ii) Water Management in Zero Liquid Discharge category.
3. "Clean generator-combined fuel in CPP" award is received from Mission energy foundation, during September, 2022.

General Information

During the financial year, the Company experienced the contraction phase of the business cycle, caused due to:

(1) the Supreme Court's order in May, 2022 lifting restrictions on iron ore sales in Karnataka, allowing both contract sales as well as auctions to replace older system of e-auctions conducted by the court appointed Monitoring Committee. During this transition period, the Company could not get the required quantity of iron ore;
(2) the war between Russia and Ukraine severely affected the imports of coal and other raw materials.

However, the Company could cope-up during 4th quarter of the financial year.

The Company is serving at its best to meet the stakeholders' requirements. The Company has also set up quality standards to satisfy its customers' requirements and prompt attempts are given to resolve customers' grievances, if any, with an intention to resolve them as soon as feasible.

The Company's orientation is also on environment protection and sustainability. The Company has a Captive Power Plant set-up to generate power from waste heat gases generated in Sponge Iron Plant with an intention of reuse energy prudently and to reduce the emission of waste gases into the environment.

Details of Holding/Subsidiary/Associate Companies/Joint Ventures:

The Company did not have any Subsidiary Company/Associate Company/Joint Venture during the financial year and till the date of this report. Thus, the preparation of consolidated financial statements are not applicable for the financial year under review.

The Company is a subsidiary of JSW Projects Limited, which holds 58.47% in the equity share capital of the Company.

Material changes and commitments, affecting the financial position of the company since the end of the Year and till the date of the report:

There are no material changes and commitments, affecting the financial position of the Company, that have occurred since the end of the Year and till the date of the report.

Change in the nature of business

There were no changes in the nature of business of the Company during the period under review.

Share Capital and Debt Structure

The Authorised Share Capital of the Company as on 31st March, 2023 is ₹ 30,000 lakhs comprising of 30,00,00,000 equity shares of ₹ 10 each. During the financial year there was no change in Authorised Share capital.

The issued, subscribed and paid-up equity share capital of the Company as on 31st March, 2023 is ₹ 25,709.87 lakhs, comprising of 25,70,98,746 equity shares of ₹10 each. During the financial year there was no change in issued, subscribed and Paid-up Share capital.

Details of Debenture as on 31st March, 2023:

Particulars	No. of Debentures as on 1st April, 2022	No. of Debentures issued during the year	No. of Debentures redeemed during the year	No. of Debentures as on 31st March, 2023
Series A Fully and Compulsorily	23,85,30,953	---	---	23,85,30,953

Convertible Debentures of ₹10 each				
Series B Fully and Compulsorily Convertible Debentures of ₹10 each	24,83,66,278	---	---	24,83,66,278
Series C Fully and Compulsorily Convertible Debentures of ₹10 each	11,11,43,410	---	---	11,11,43,410

Apart from the above, the Company has not issued any other securities nor has issued any shares with differential voting rights nor granted stock options nor sweat equity nor issued bonus shares nor warrants, bonds nor converted any securities. There were no shares held in trust for the benefit of employees, where the voting right are not exercised directly by the employees. The Company has not bought back any of its securities during the period under review.

Investor Education and Protection Fund (IEPF)

No amount/shares were required to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year, under review.

Deposits

The Company has not accepted any deposits within the meaning of Section 73 to Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. There was no loan taken from the Directors, during the financial year.

Particulars of loans, guarantees or investments under Section 186

The Company has given unsecured loans to the following Companies under the provisions of Section 186 of Companies Act, 2013 and the outstanding amount as on 31st March, 2023 is provided below:*

(₹ in Lakhs)

Name of the Borrower	Principal amount	Accrued interest	Total outstanding as on 31st March, 2023
South West Mining Limited	3,500	0	3,500
Everbest Consultancy Services Private Limited	8,000	187	8,187
Adarsh Advisory Services Private Limited	12,500	293	12,793

Laxmipati Management Services Private Limited	1,100	290	1,390
Ranjitpura Infrastructure Private Limited	1,500	98	1,598

* Kindly refer note No. 7 and No.44 to the notes to Financial Statements.

No guarantees or securities, as specified under Section 186 of the Companies Act, 2013, were provided by the Company, during the Financial Year under review.

The Company has not made investments in any securities during the year under review.

Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, nature of its business and complexity of its operations. Internal Financial Controls are adequate with reference to the Financial Statements and are operating effectively. Internal Auditor of the Company reports to the Audit Committee. The Internal Auditor and the Audit Committee are responsible for monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the evaluation and the reports submitted by the Internal Auditor, corrective actions in the respective areas are taken, thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

Risk Management

The Company has laid down a well-defined risk management mechanism to mitigate the risks and has also adopted a policy in this regard in line with the requirement of the Companies Act, 2013. The said policy inter-alia covers identification and access to the key risk areas and monitors the areas in order to take corrective measure at appropriate time. The overall objective is to improve awareness of the Company's risk exposure and appropriately manage it.

Vigil Mechanism

The Vigil (Whistle Blower) Mechanism intends to provide a platform to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy.

The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail the mechanism and also provide for direct access to the Chairman of the Board/ the Chairman of the Audit Committee, in exceptional cases.

The Policy on Vigil Mechanism may be accessed on the Company's website at the link: http://bmm.in/media-center/corporate-governance/

Related Party Transactions

The details of transactions, arrangements, and contracts entered into by the Company under Section 188(1) of the Companies Act, 2013 during the financial year under review are disclosed in Form AOC-2, which is annexed as **Annexure II** to this report.

The disclosure of transactions with related parties that took place during the financial year, as per Ind AS-24 are given in Notes to financial statements (Note no. 44 attached to the financial statements as at 31st March, 2023).

Corporate Social Responsibility Initiatives

The provision of Section 135 of the Companies Act, 2013 are applicable to the Company for the financial year. The Annual Report on CSR activities is annexed herewith as **Annexure I**.

Directors and Key Managerial Personnel

The Board of Directors of the Company as on 31st March, 2023:

i. Mr. Dinesh Kumar Singhi -Director (DIN: 00208064)
ii. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
iii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iv. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
v. Mr. Pawan Kumar Kedia – Director (DIN: 00020570)
vi. Mr. Krishna Deshika - Independent Director (DIN: 00019307)
vii. Dr. Rakhi Jain - Independent Director (DIN: 07138042)

Key Managerial Personnel of the Company as on 31st March, 2023:

i. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
ii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iii. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
iv. Mrs. Swetha S - Company Secretary (Memb. No.: F11494)

In terms of provision of Section 152(6) of the Companies Act, 2013 Mr. Dinesh Kumar Singhi, Director (DIN: 00208064) and Mr. Pawan Kumar Kedia, Director (DIN: 00020570) are liable to retire by rotation

at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

The Board of Directors of the Company are duly constituted. During the year, Mr. Vimal Singh, Whole Time Director (DIN: 08059827), in continuation of his designation as Whole Time Director, has been appointed as Chief Executive Officer in the Board Meeting held on 24th June, 2022.

In the 20th Annual General Meeting held on 29th July, 2022, Shareholders of the Company have re-appointed Mr. VVV Raju, Executive Director & CFO (DIN: 07303177), as Executive Director in continuation of the designation –the Chief Financial Officer, with effect from 1st October, 2022 and for a further period of 3 years.

In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, both the Independent Directors of the Company have enrolled themselves on the Independent Directors Databank. Mr. Krishna Deshika and Dr. Rakhi Jain are exempt from self-assessment test under the aforesaid Rules. Independent Directors of the Company are the persons of high integrity, expertise and experience, and qualify to be Independent Director.

As per the provisions of Section 149 read with the Rules made thereunder, the Company has Dr. Rakhi Jain, as Women Director on the Board.

Policy on Directors' Appointment and Remuneration

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

The current policy is to have a balanced mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. There was no change made to the policies during the financial year.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under Sub-Section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

The policy on Directors' appointment and remuneration is available at the Company's web link http://bmm.in/media-center/corporate-governance/

Declaration by Independent Directors

Both the Independent Directors have submitted their disclosure to the Board stating that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify themselves to be Independent Directors under the provisions of the Companies Act, 2013 and the rules made thereunder.

The Independent Directors have complied with the code for Independent Directors, prescribed under Schedule IV of the Act.

Code of Conduct

The Board of Directors has approved the code of conduct of the Board Members, Key Managerial Personnel & Senior Management Personnel. The code lays down the standard procedure of business conduct which is expected to be followed. All the Board Members, Key Managerial Personnel and Senior Management have complied with the code. All the staff was given appropriate training in this regard.

Board Evaluation

The Company has formulated a Policy for performance evaluation of Independent Directors, the Board, the Committees thereunder and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

In terms of the policy and pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the Directors (including the Independent Directors), individually, as well as evaluation of the working of its Audit, Corporate Social Responsibility and Nomination & Remuneration Committees. The evaluation process is derived from various factors including attendance and time spent in the Board and the Committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings. Annual performance evaluation is done through Evaluation forms containing various parameters to evaluate the performance of the Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and each Director (all the Executive and Non-Executive Directors).

Further, the performance evaluation of the Non- Independent Directors, the Board as a whole and Chairman of the Company was carried out by the Independent Directors, independently.

Meetings

During the year, the following meetings were duly held:

Sl. No	Seven (7) Board Meetings	Six (6) Audit Committee Meetings	Two (2) Nomination & Remuneration Committee Meetings	Three (3) Corporate Social Responsibility Committee Meetings	One (1) Independent Director Meeting	Five (5) Finance Committee Meetings
1	29.04.2022	29.04.2022	29.04.2022	29.04.2022	31.03.2023	08.04.2022
2	26.05.2022	26.05.2022	24.06.2022	31.01.2023		13.07.2022
3	24.06.2022	29.07.2022		31.03.2023		22.09.2022

4	29.07.2022	28.10.2022				20.12.2022
5	28.10.2022	31.01.2023				16.03.2023
6	31.01.2023	31.03.2023				
7	31.03.2023					

Audit Committee

As on 31st March, 2023 the Audit Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Rajendra Moondra (Whole Time Director) - Member.

There were no changes in the composition of the Audit Committee during the year.

Nomination & Remuneration Committee

As on 31st March, 2023 the Nomination and Remuneration Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Pawan Kumar Kedia (Director) - Member
d) Mr. Vimal Singh (Whole Time Director & CEO) - Member.

There were no changes in the composition of the Nomination & Remuneration Committee during the year.

Corporate Social Responsibility Committee

As on 31st March, 2023, the Corporate Social Responsibility Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO) - Chairman of the Committee
b) Mr. Rajendra Moondra (Whole Time Director) - Member
c) Mr. Krishna Deshika (Independent Director) - Member.

There were no changes in the composition of the Corporate Social Responsibility Committee during the year.

Finance Committee

As on 31st March, 2023, the Finance Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO)	- Chairman of the Committee
b) Mr. Dinesh Kumar Singhi (Non-Executive Director)	- Member
c) Mr. VVV Raju (Executive Director & CFO)	- Member
d) Mr. Rajendra Moondra (Executive Director)	- Member.

There were no changes in the composition of the Finance Committee during the year.

Prevention of sexual harassment at workplaces

The Company has zero-tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

Further, the Company has duly constituted Internal Complaint Committee as required under the abovementioned Act and Rules made thereunder. For the financial year 2022-23, no case of sexual harassment was pending at the beginning, no case was received or disposed-off during the year nor was pending at the close of the financial year.

Auditors and Auditor's Report

Statutory Auditor

Shareholders of the Company at 20th Annual General Meeting held on 29th July, 2022 have appointed M/s Shah Gupta & Co., Chartered Accountants, Mumbai (Firm Registration No.: 109574W) as Statutory Auditors of the Company to hold the office from the conclusion of the 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting to be held in the Financial Year 2027-28.

Auditor's Reports

The notes on financial statements referred to in the relevant Auditor's Reports are self-explanatory and do not call for any further comments. The Auditor's report does not contain any qualification, reservation or adverse remark. No frauds have been reported by the Auditors under Section 143 (12) of the Companies Act, 2013, requiring disclosure in the Board's Report.

Cost Auditor

The Board, on the recommendation of Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru (Firm Registration No.: 000150), to conduct the Cost Audit

of the Company for Financial Year 2022-23 in their meeting held on 29th April, 2022 and their remuneration for the period has been approved by the shareholders in the 20th Annual General Meeting held on 29th July, 2022.

The Board, on the recommendation of the Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru, to conduct the Cost Audit of the Company for Financial Year 2023-24 in their meeting held on 28th April, 2023 on remuneration of ₹1.50 lakhs plus applicable taxes and reimbursement of actual travel and out of pocket expenses. The remuneration is subject to the ratification of the Shareholders in terms of Section 148 of Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and is accordingly placed for your ratification.

Cost Records:

The Cost Records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are applicable to the Company. Accordingly, such accounts and records are made and maintained during the year.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s JKS & Co., a firm of Company Secretaries in practice from Bengaluru (Firm Unique Code No: P2015KR0800), to undertake the Secretarial Audit of the Company. The Secretarial Auditor's report is attached as **Annexure V**. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board, at its meeting held on 28th April, 2023 has appointed M/s JKS & Co., Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2023-24.

Compliance with Applicable Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards notified by the Institute of Company Secretaries of India.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure III**.

Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at http://bmm.in/media-center/corporate-governance/

Revision of Financial Statements

The Company has not revised its financial statements or the Report in respect of any of the three preceding financial years, either voluntarily or pursuant to the order of a judicial authority.

Particulars of employees and related disclosures

In terms of Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in this Report as **Annexure IV**.

Particulars of remuneration received by Managing Director and Whole Time Director from Holding and Subsidiary Company

No remuneration or commission has been received by Whole Time Director(s) of the Company from the Company's Holding Company or Subsidiary Company. However, the Company does not have Managing Director.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

However, Members' attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the Financial Statements as at 31st March, 2023, vide Note no. 37 & 38.

Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016

During the year under review, there were no applications filed against the Company nor were any applications pending under the provision of the Insolvency and Bankruptcy Code, 2016.

Directors' Responsibility Statement

Pursuant to the requirements under Section 134, Sub-Section 3(c) and Sub-Section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

(a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state

of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Government authorities, Lenders, Banks, Vendors, Customers and Shareholders during the period under review. Directors also wish to place on record their deep sense of appreciation for the services rendered by all the employees of the Company.

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 26/05/2023

VVV Raju	Vimal Singh
(Executive Director & CFO)	(Whole Time Director & CEO)
DIN: 07303177	DIN: 08059827

Annexure I to Directors' Report

THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2023

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company:

BMM believes in the philosophy that CSR is an integral part of the organisation and all CSR practices and programs are being comprehensively integrated with the business operations and processes of the organisation.

CSR Vision

CSR is an important culture for BMM that integrates social, environmental and ethical responsibilities into governance of businesses to ensure the long term success, competitiveness and sustainability.

CSR Mission

CSR is an endeavour to bring about an overall positive impact on the communities, cultures, societies and environment wherever BMM operates. BMM believes in the growth, which is combination of achievements, business expansion and commitment to the society.

CSR Activities

The focus areas where Community Development programmes would be taken-up are:

i. Eradicating hunger, poverty and malnutrition
ii. Promoting Health care including Preventive Health care and Sanitation
iii. Ensuring environmental sustainability and ecological balance
iv. Employment and livelihood enhancing vocational skills and projects
v. Promoting education
vi. Promoting gender equality and empowering women
vii. Rural Development Projects and slum area development
viii. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts
ix. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows

x. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

xi. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women

xii. Disaster management, including relief, rehabilitation and reconstruction activities.

xiii. Such other activities as the Board may consider to be appropriate in accordance with the provisions of schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vimal Singh	Whole Time Director & CEO (Chairman of the Committee)	3	3
2.	Mr. Rajendra Moondra	Whole Time Director (Member of CSR Committee)	3	3
3.	Mr. Krishna Deshika	Independent Director (Member of CSR Committee)	3	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **http://bmm.in/media-center/corporate-governance/**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. ***NOT APPLICABLE***

5. (a) Average net profit of the Company as per Sub-Section(5) of Section 135: **₹ 81,159.56 Lakhs**
(b) Two percent of average net profit of the Company as per Sub-Section(5) of Section 135: **₹ 1,623.19 Lakhs**
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **₹10.43 Lakhs. This amount is pertaining to interest earned on the amounts deposited in 'Unspent CSR account for the FY 2021-22'.**
(d) Amount required to be set-off for the financial year, if any: **NIL**

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 1,633.62 Lakhs (includes ₹ 10.43 Lakhs is pertaining to CSR ongoing project of FY 2021-22 and will be spending for the ongoing project of FY 2021-22)**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 784.15 Lakhs**
   (b) Amount spent in Administrative Overheads: **₹ 36.61 Lakhs**
   (c) Amount spent on Impact Assessment, if applicable: **Nil**
   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 820.76 Lakhs**

   (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Sub-Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
820.76	802.43	25th April, 2023	Nil	Nil	Nil

(f) Excess amount for set-off, if any: Nil

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per Sub-Section (5) of Section 135	--
(ii)	Total amount spent for the Financial Year	--
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	--

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub-Section (6) of section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under Sub-Section (6) of Section 135 (₹ in lakhs)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of Transfer		
1	FY- 1 (2019-20)	NA	NA	NA	NA	NA	NA	NA
2	FY- 2 (2020-21)	NA	NA	NA	NA	NA	NA	NA
3	FY- 3 (2021-22)	279.20	172.48*	117.15	NA	NA	172.48*	NA

* includes ₹ 10.43 Lakhs pertaining to surplus (interest earned) on amounts deposited in 'Unspent CSR account for the FY 2021-22'.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NIL**

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount Spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Sub-Section (5) of Section 135. **Not applicable.**

VVV Raju Executive Director & CFO DIN: 07303177 Place: Danapura Date: 26/05/2023	Vimal Singh Chairman of CSR Committee DIN: 08059827 Place: Danapura Date: 26/05/2023

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contracts or arrangements or transactions not at arm's length basis: NIL

Sl. No	Particulars
(a)	Name(s) of the related party and nature of relationship :
(b)	Nature of contracts/arrangements/transactions:
(c)	Duration of the contracts/arrangements/transactions:
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:
(e)	Justification for entering into such contracts or arrangements or transactions:
(f)	Date(s) of approval by the Board:
(g)	Amount paid as advances, if any:
(h)	Date on which the ordinary resolution was passed in general meeting as required under first proviso to Section 188:

Details of contracts or arrangements or transactions at arm's length basis

1)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	Mr. Dinesh Kumar Singhi Related party under Section 2 (76) (i) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Rental Agreement
(c)	Duration of the contracts/arrangements/transactions:	For 11 months with effect from 1st January, 2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	a) To take on rent, carpet area of 3,281 sq. ft. of premises at 1st Floor of a multi-storied building located at No.101, 1st Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001 and carpet are of 1,380 Sq. Ft. locate at No.401, 4th Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001

		along with the 392 Sq. Ft. of car parking area in the basement of the said premises. Hence, 5053 Sq. Ft. b) At monthly rent of ₹ 5.56 Lakh plus applicable taxes
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 28th October, 2022 Board approval: Not applicable as the transaction is at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	Rental Security Deposit: ₹ 40 Lakh (Interest free)

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 26/05/2023

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. ENERGY CONSERVATION

The Company is continually improving its operational performance in all areas, like yield, plant utilization, minimizing waste and its utilization etc. Conscious efforts are put to reduce the consumption of fuel, power across all energy consuming facilities. The Energy consuming departments carrying out energy benchmarking with peers and adopting some of the relevant best practices. Energy conservation was taken up as a key improvement during the year.

1. Reducing wastage & minimizing the energy usage by optimizing the process parameters to achieve lower values of fuel / energy consumption.

2. Adopting various methods of recovery to tap unused fuel heat in various process exhausts & recovery systems.

i. **Steps taken for Energy conservation:**

Beneficiation Plant-

1. Beneficiation Plant 1 & 2: Achieved power savings of 2,387 KWH/Day after Installation of belt conveyor, to feed ore to wet screen avoiding launder, pumps and pipe line.

Pellet Plant-

2. Pellet Plant 1 & 2: Achieved savings of 4,697MWH, after installation of MV (Medium voltage) drives for HRF (Heat Resistant Fans) & LT (Low Tension) drive for ACF (Anular Cooler Fan) which is implemented under POS (Pay On Scheme).

3. Pellet Plant 1 & 2: Achieved saving of thermal energy by 2.8% (7.4Mkcal) by usage of Bag Filter dust at 4kg per Ton & reduction of 2.8 kgs of Anthracite Coal.

Sponge Iron Plant:

4. Conversion of Kiln-4 (Axis-2): Increase in steam generation by 8.5% after Conversion of 500 TPD Pre- heating kiln to conventional kiln. Subsequently, saving thermal energy of 6.87 Million Kcal along with increase in production rate by 60 MT /day (13.6%).

5. Conversion of Kiln-3 (Axis-1): After Conversion of 500 TPD Pre- heating kiln to conventional kiln in Mar-22, increase in steam generation by 8.5%, resulted in saving thermal energy of 6.87 Million Kcal along with increase in production rate by 60 MT/day (13.6%).

6. Installation of coal drier: Reduction of specific thermal Energy consumption by 0.11 Mkcal/MT of Sponge Iron after installation of coal dryer system which resulted in 5,809 T of coal in all SID.

RMHD:

7. Achieved Average diesel saving of 55 Ltrs/rake by installation of Aux Power unit for LOCO Engine.

Power Plant:

8. Achieved saving of Electrical Energy of 1,548 MWH by overhauling of Boiler Feed Pumps (BFPs), replacement of ARC (Automatic Recirculation Control) valves in BFP recirculation line.

ii. Steps taken for utilizing alternate sources of energy :

During the year Nil

iii. The capital investment on energy conservation equipment:

A. Pellet Plant

Capital expenditure of ₹ 3,288 lakhs was incurred on energy saving projects for MV (Medium Voltage) Drives for HRF (Heat Recovery Fans) & ACF (Annular Cooler Fans) under POS (Pay out of Savings) scheme, resulting in savings of 4,697MWH (Avg 2.37Kwh/MT of pellet).

B. Sponge Iron Plant

Capital expenditure of ₹ 2,000 lakhs was incurred on Kiln 4 conventional project, resulting in increase of steam generation by 8.5% which resulted in saving of 1,978 tons of coal in Power Plant along with increase in production rate by 60 MT per day (13.6%).

Capital expenditure of ₹ 700 lakhs was incurred on for coal drier, resulting in overall Specific Energy of 0.11 Mkcal/MT of Sponge Iron resulted in savings of 5,809 Tons of coal

B. TECHNOLOGY ABSORPTION -

i. **Major efforts made towards technology absorption**- Nil

ii. **The benefits derived like product improvement, cost reduction, product development or import substitution.**- Nil

iii. **Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)**- Nil

Details of Technology Imported	Technology Import from	Year of Import	Status Implementation / Absorption	Areas where absorption of Imported technology has not taken place, if any
Iron ore Slurry Pressure Filter-VPA – 3 & 4	China	FY 2020-21	Commissioned	Fully Absorbed

iv. **Expenditure on Research &Development, if any**

Sl. No	Particulars	Amount (₹ in lakhs)
a.	Capital	--
b.	Revenue	--
	Total	--

C. FOREIGN EXCHANGE EARNINGS/ OUTGO

Amount (₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
Earnings	--	--
Outgo	18,926.20	5,494.65

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 26/05/2023

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

Annexure IV to Directors' Report

Statement Showing Particulars of Employees Pursuant to the Provisions of Section 197(12) of the Companies Act, 2013 Read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2021:

Sl. No	Name	Designation	Gross Remuneration received (₹ in lakhs)	Qualification	Total Experience, in years	Date of Employment	Age	Last Employer & Designation held	Nature of employment
1	Mr. VVV Raju	Executive Director & Chief Financial Officer	152.30 p.a	Chartered Accountant and Cost Accountant	24 Years	15/10/2009	53 Years	Worked as Deputy General Manager (Accounts) with M/s Kalyani Gerdau Steels Ltd., Tadipatri	Contractual

Notes:

a. Gross Remuneration includes basic salary, allowance, provident fund and perquisites (wherever applicable)

b. All the employees have adequate experience to discharge the responsibility assigned to them.

c. There are no employees or directors, mentioned in above table, who holds more than 2% of the paid-up capital of the Company.

d. There are no employees of the Company who are relatives of any Director of the Company and are drawing remuneration.

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 26/05/2023

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

JKS & Co.
Company Secretaries
Regd. Office: E-003, Victoria Haven, Patel Ram Reddy Road, Domlur 1st Stage,
Bangalore - 560071
Email: info@jksandco.in
Ph. 080 - 4110 2408

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To,

The Members,

BMM Ispat Limited
114, DANAPUR VILLAGE, HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT, KARNATAKA
INDIA - 583222

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BMM Ispat Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and provided either as hard copies or scanned copies by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31/03/2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31/03/2023** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable to the Company);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (applicable only to the extent of Rule 9A of the companies [Prospectus and Allotment of Securities] Rules2014);

Branches:
1. Unit No. 305, 3rd Floor, # 50, Huligadri Renaissance Landmark, 10th Main, 17th Cross, Malleswaram, Bangalore - 560 055. Ph. : 080 2344 3844
2. No.56, Ground Floor, 4th Cross, 2nd Sector, "NOBO" Nagar, Bannerghatta Road, Bangalore - 560 076. Ph. 080 2643 0093

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (There were no FDI, ODI or ECB transactions during the period under review);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Not applicable to the Company);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

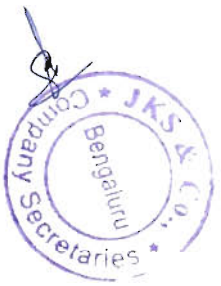
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company);

(vi) Other laws applicable to the company as per the representations made by the company.

As informed to us, the other laws and the corresponding rules thereof, specifically applicable to the Company are as under:

1. The Manufacture, Storage and import of Hazardous Chemical Rules, 1989
2. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
3. The Indian Boilers Act, 1923 and rules/regulations made thereunder Indian Boiler Act / Karnataka Boiler Rules
4. The Factories Act,1948 and applicable rules made thereunder
5. The Electricity Act, 2003 and Indian Electricity Rules, 1956
6. The Environment Protection Act, 1986
7. The Water (Prevention & Control of Pollution) Act, 1974
8. The Air (Prevention & Control of Pollution) Act, 1981



9. Mines and Minerals (Development and Regulation) Act, 1957 and the rules made thereunder
10. Atomic Energy Act and Rules made thereunder

We have also examined compliance with the applicable clauses of the following:

(i) Notified Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s),

if applicable (Not applicable to the Company);

Based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, in our opinion, adequate systems and processes and the control mechanism exist in the Company to monitor and ensure compliance and during the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc., mentioned above.

We further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws and applicable labour laws, by the Company has not been reviewed in this Audit and the same has been subject to specific audits.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and are captured and recorded in the minutes, while there were no dissenting views from members.

Based on the Compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has addressed/replied to notices issued under Specific Acts, wherever applicable.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.



This report is to be read with letter of even date which is annexed as Annexure A and forms an integral part of this report

Place: Bengaluru
Date: 22nd May 2023
UDIN: F005548E000332701

For JKS & Co.,



(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert.No: 1143/2021
Firm Unique Code No: P2015KR0800

JKS & Co.
Company Secretaries
Regd. Office: E-003, Victoria Haven, Patel Ram Reddy Road, Domlur 1st Stage,
Bangalore - 560071
Email: info@jksandco.in
Ph. 080 - 4110 2408

Annexure A

To,

The Members

BMM. Ispat Limited
114, DANAPUR VILLAGE,
HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT,
KARNATAKA
INDIA - 583222

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

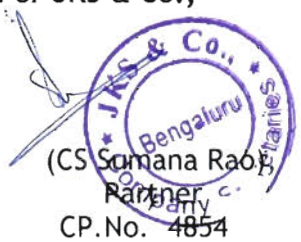
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Branches:
1. Unit No. 305, 3rd Floor, # 50, Huligadri Renaissance Landmark, 10th Main, 17th Cross, Malleswaram, Bangalore - 560 055. Ph: 080 2344 3844
2. No.56, Ground Floor, 4th Cross, 2nd Sector, "NOBO" Nagar, Bannerghatta Road, Bangalore - 560 076. Ph. 080 2643 0093

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Bengaluru
Date: 22nd May, 2023
UDIN: F005548E000332701

For JKS & Co.,



(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert.No: 1143/2021
Firm Unique Code No: P2015KR0800

Shah Gupta & Co.
Chartered Accountants

38, Bombay Mutual Building,
2nd Floor, Dr. D N Road, Fort,
Mumbai – 400 001

Tel: + 91(22) 2262 3000
+ 91(22) 4085 1000
Email: contact@shahgupta.com
Web: www.shahgupta.com

INDEPENDENT AUDITORS' REPORT

To the Members of BMM ISPAT Limited (Formerly known as B.M.M. ISPAT LIMITED)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BMM ISPAT Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 the 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, 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 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, total comprehensive income, 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 statements 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is 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.

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 clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements

may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section (3) of Section 143 of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, with reference to these financial statements refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:
      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under sub-section (16) of Section 197 which are required to be commented upon by us; and
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at March 31, 2023 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; and
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that:
         A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company

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

B) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (A) and (B) contain any material misstatement.

v. The Company has not declared or paid any dividend during the financial year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUZ2435

Place: Mumbai
Date: May 26, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

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

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, 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 Note 4A to the financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder. Consequently, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were notices on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. In our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the unaudited books of account of the Company. The Company has not been sanctioned any working capital facility from financial institutions.

iii. During the year, the Company has granted unsecured loans to companies and other parties, details of which are reported below and the Company has not granted any loans, secured or unsecured, to firms or limited liability partnership during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

(a) (A) During the year the Company has not granted any loans, advances in nature of loans and guarantees or security to subsidiaries, joint ventures and associates.

(B) Based on audit procedures carried on by us and as per the information & explanations given to us the Company has granted unsecured loans to companies and other parties as below:

(Rs. in lakhs)

Sr. No.	Loans (unsecured)	to Companies
(1)	Aggregate amount granted during the year	1,500
(2)	Balance outstanding as at balance sheet date	1,500

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the unsecured loans granted during the year are, prima facie, not prejudicial to the Company interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principle and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of overdue amount for more than ninety days in respect of loans is given below.

(Rs. in lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
1	1,100.00	289.97	1389.97	Reasonable steps have been taken by the Company to recover the overdue amount.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, following instances of loans falling due during the year were extended:

(Rs. in lakhs)

Sr. No.	Name of the party	Aggregate amount of overdues of existing loans extended	% of aggregate to the total loans granted during the year
1	South West Mining Limited	3,500.00	233.33%
2	Everbest Consultancy Services Pvt Ltd	8,000.00	533.33%
3	Adarsh Advisory Pvt Ltd	12,500.00	833.33%

Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not made any investments or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in relation to loans given by the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees' State Insurance, Income-Tax, Cess, Goods and Service Tax, Value Added Tax, Excise Duty, Custom Duty and other material statutory dues which have not been deposited as at March 31, 2023 on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	**Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	83.76	AY 2012-13	Commissioner of Income Tax Appeals, Bangalore
		4,628.11	AY 2016-17	
		77.25	AY 2017-18	
		1246.46	AY 2021-22	
The Customs Act, 1962	Customs Duty	331.30	FY 2012-13	Larger Bench CESTAT, Chennai
		0.86	FY 2012-13	
		1,264.16	FY 2012-13	High Court of Mumbai
Chapter V of the Finance Act, 1994	Service Tax	1,188.99	FY 2010-11 & FY 2011-12	Customs, Excise & Service Tax Appellate Tribunal, Bengaluru
The Central Excise Act, 1944	Excise Duty	651.87	FY 2008-09 & FY 2015-16	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
	Excise Duty	1.66	FY 2015-16	Commissioner of Central Tax (A), Belgaum.
Goa Rural Improvement and welfare Cess Act, 2000	Environment Cess	264.21	FY 2009-10	High Court of Bombay at Goa
		1,981.53	FY 2009-10, FY 2011-12 & FY 2014-17	
		1,048.94	FY 2014-18	
** These amounts are net of amount paid/ adjusted under protest Rs. 2043.77 lakhs.				

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the 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 a 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 given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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 and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, 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 (as defined under the Act). The Company does not hold any investment in any subsidiary, associate or joint venture (as defined in the Act) during the year ended March 31, 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Consequently, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and six CIC's which are not required to be

registered with the Reserve Bank of India, forming part of the promoter group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

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

xviii There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation 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. (a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the previous financial year, to a Special account within a period of 30 days from the end of said financial year in compliance with the provisions of sub-section (6) of section 135 of the Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUZ2435

Place: Mumbai
Date: May 26, 2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")
(The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting with reference to financial statements of **BMM ISPAT LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting with reference to these 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUZ2435

Place: Mumbai
Date: May 26, 2023

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

BALANCE SHEET AS AT 31 MARCH 2023

₹ in lakhs

		Particulars	Notes	As at 31 March 2023	As at 31 March 2022
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, plant and equipment	4A	2,01,695.41	2,06,616.23
		(b) Capital work-in-progress	4B	24,581.35	1,266.07
		(c) Right-of-use assets	5	13,492.68	12,615.07
		(d) Other intangible assets	6	46.56	37.12
		(e) Financial assets			
		(i) Loans	7	-	0.92
		(ii) Other financial assets	8	711.76	604.75
		(f) Income tax assets (net)	10	3,297.11	2,678.62
		(g) Deferred tax assets (net)	9	-	3,714.12
		(h) Other non-current assets	11	6,227.56	6,098.61
		Total non-current assets		**2,50,052.43**	**2,33,631.51**
	2	**Current assets**			
		(a) Inventories	12	32,077.64	37,524.97
		(b) Financial assets			
		(i) Trade receivables	13	5,283.49	9,848.85
		(ii) Cash and cash equivalents	14	6,797.83	12,799.97
		(iii) Bank balances other than (ii) above	14	35,978.72	10,340.16
		(iv) Loans	7	26,889.97	25,192.65
		(v) Other financial assets	8	4,214.09	2,604.32
		(c) Other current assets	11	7,592.11	10,475.37
		Total current assets		**1,18,833.85**	**1,08,786.29**
		Total assets		**3,68,886.28**	**3,42,417.80**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity share capital	15	25,709.87	25,709.87
		(b) Other equity	16	2,62,076.30	2,49,798.82
		Total equity		**2,87,786.17**	**2,75,508.69**
		Liabilities			
	2	**Non-current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	17	30,523.02	34,749.52
		(ii) Lease liabilities	5	50.82	-
		(b) Provisions	18	448.00	417.22
		(c) Deferred tax liabilities (net)	9	1,065.06	-
		Total non-current Liabilities		**32,086.90**	**35,166.74**
	3	**Current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	19	20,159.51	9,851.08
		(ii) Lease liabilities	5	114.45	-
		(iii) Trade payables			
		(a) Total outstanding dues of micro and small enterprises	20	3,105.13	1,663.47
		(b) Total outstanding dues of creditors other than micro and small enterprises		7,744.66	6,085.47
		(iv) Other financial liabilities	21	5,331.57	3,151.42
		(b) Provisions	18	59.31	45.66
		(c) Other current liabilities	22	12,498.58	10,945.27
		Total current liabilities		**49,013.21**	**31,742.37**
		Total liabilities		**81,100.11**	66,909.11
		Total equity and liabilities		**3,68,886.28**	**3,42,417.80**

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD. DANAPUR

VEDULA PRABHAKAR RAO	**V.V.V. RAJU**	**VIMAL SINGH**	**SWETHA S**
Partner	Exe. Director & CFO	Whole Time Director & CEO	Company Secretary
Membership No: 123088	DIN: 07303177	DIN: 08059827	M. No:F11494
Place: Mumbai	Place: Danapura	Place: Danapura	Place: Danapura
Date: 26-05-2023	Date: 26-05-2023	Date: 26-05-2023	Date: 26-05-2023

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

₹ in lakhs, except per share data and as stated otherwise

		Notes	31 March 2023	31 March 2022
I	Revenue from operations	23	3,64,466.19	3,78,913.43
II	Other income	24	4,479.53	3,306.44
III	**Total income (I+II)**		**3,68,945.72**	**3,82,219.87**
IV	**Expenses**			
	Cost of material consumed	25	2,87,224.26	2,59,993.57
	Changes in inventories of finished goods, stock in trade and work in progress	26	8,370.27	(3,021.32)
	Employee benefits expense	27	6,328.18	5,811.97
	Finance costs	28	4,380.53	9,678.13
	Depreciation and amortization expense	29	10,995.05	10,107.95
	Other expenses	30	34,682.80	31,948.28
	Total expenses		**3,51,981.09**	**3,14,518.58**
V	**Profit before tax (III-IV)**		**16,964.63**	**67,701.29**
VI	**Tax expense**			
	Current tax		-	-
	Deferred tax	9	4,756.02	17,171.71
	Total tax expense		**4,756.02**	**17,171.71**
VII	**Profit for the year (V-VI)**		**12,208.61**	**50,529.58**
VIII	**Other comprehensive income**			
	A. (i) Items that will not be reclassified to profit or loss :			
	a. Re-measurements of the defined benefit plans		92.05	103.79
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(23.17)	(26.12)
	Total other comprehensive income (net of taxes)		**68.88**	77.67
IX	**Total comprehensive income for the year (VII+VIII)**		**12,277.48**	**50,607.25**
X	**Earnings per equity share of ₹ 10 each**	31		
	a. Basic (in ₹)		4.75	19.65
	b. Diluted (in ₹)		1.43	5.91

See accompanying notes to the financial statements

In terms of our report attached

For SHAH GUPTA & CO

Chartered Accountants

Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VEDULA PRABHAKAR SHARMA
Partner
Membership No: 123088

Place: Mumbai
Date: 26-05-2023

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 26-05-2023

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 26-05-2023

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 26-05-2023

BMM ISPAT LTD. DANAPUR

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

₹ in lakhs

Particulars	Equity share capital	Other equity					Total other equity	Total equity
		Reserves and surplus			Equity component of compulsory convertible debenture	Other comprehensive income/(loss) (OCI)		
		Securities premium account	Debenture redemption reserve	Retained earnings		Equity instruments at fair value through OCI		
Opening balance as at 01 April 2021	25,709.87	19,586.08	7,250.00	1,12,889.79	59,804.06	(338.36)	1,99,191.56	2,24,901.44
Change in equity share capital due to prior period items	-	-	-	-	-	-	-	-
Restated balance as on 01 April 2021	-	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-			-	-	-	-
Transfer from debenture redemption reserve	-	-	(7,250.00)	7,250.00	-	-	-	-
Profit for the year	-	-		50,529.58	-	-	50,529.58	50,529.58
Other comprehensive income, net of taxes	-	-		77.67	-	-	77.67	77.67
Closing balance as at 31 March 2022	25,709.87	19,586.08	-	1,70,747.05	59,804.06	(338.36)	2,49,798.81	2,75,508.69
Change in equity share capital due to prior period items	-	-	-	-	-	-	-	-
Restated balance as on 01 April 2022	-	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-			-	-	-	-
Profit for the year	-	-		12,208.61	-	-	12,208.61	12,208.61
Other comprehensive income, net of taxes	-	-		68.88	-	-	68.88	68.88
Closing balance as at 31 March 2023	25,709.87	19,586.08	-	1,83,024.54	59,804.06	(338.36)	2,62,076.30	2,87,786.17

See accompanying notes to the financial statements
In terms of our report attached

For and on behalf of the Board of Directors

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD. DANAPUR

VEDULA PRABHAKAR SHARMA	**V.V.V. RAJU**	**VIMAL SINGH**	**SWETHA S**
Partner	Exe. Director & CFO	Whole Time Director & CEO	Company Secretary
Membership No: 123088	DIN: 07303177	DIN: 08059827	M. No:F11494
Place: Mumbai	Place: Danapura	Place: Danapura	Place: Danapura
Date: 26-05-2023	Date: 26-05-2023	Date: 26-05-2023	Date: 26-05-2023

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

₹ in lakhs

	31 March 2023	31 March 2022
A Cash flow from operating activities:		
Profit before tax	16,964.63	67,701.29
Adjustments for:		
Depreciation and amortization expense	10,995.05	10,107.95
Amortization of discount and transaction cost	156.92	1,468.25
(Profit)/loss on sale of property, plant & equipment	150.72	38.69
Finance costs	4,223.61	8,209.88
Interest Income	(3,674.51)	(3,173.01)
Operating profit before working capital changes	**28,816.43**	**84,353.05**
Movement in working capital:*		
Increase/(Decrease) in trade payables	3,100.85	(3,994.62)
Increase in provisions	136.48	43.08
Increase in other financial liabilities	2,050.24	1,013.74
Increase in lease liabilities	165.27	-
Increase in other current liabilities	1,101.68	4,033.01
Decrease/(Increase) in trade receivables	4,565.37	(1,708.89)
Decrease/(Increase) in inventories	5,447.33	(3,713.33)
Decrease/(Increase) in loans	1.60	(93.31)
(Increase) in other financial assets	(1,716.78)	(1,224.35)
Decrease/(Increase) in other non-financial assets	2,135.81	(11,427.98)
Cash generated from operations	**45,804.27**	**67,280.40**
Income taxes paid (net of refunds)	-	-
Net cash generated from operating activities (A)	**45,804.27**	**67,280.40**
B Cash flow from investing activities:		
Purchase of property, plant & equipment, intangible assets and capital work-in progress	(30,364.77)	(6,437.69)
Proceeds from sale of property, plant & equipment	(62.52)	214.03
Investment in term deposits	(25,638.57)	(10,103.67)
Loans given during the year	(1,698.00)	(33,800.00)
Loans repaid during the year	-	24,800.00
Interest received	3,674.51	3,173.01
Net cash used in investing activities (B)	**(54,089.35)**	**(22,154.32)**
C Cash flow from financing activities:		
Net proceeds from long-term borrowings	(4,353.61)	(32,500.00)
Proceeds from short-term borrowings	10,278.62	-
Interest paid and loan processing charges	(3,642.07)	(9,925.00)
Net cash generated/(used in) financing activities (C)	**2,282.94**	**(42,425.00)**

SHAH GUPTA & CO. MUMBAI FRN [illegible]W CHARTERED ACCOUNTANTS

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D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(6,002.14)	2,701.08
Cash and cash equivalents at the beginning of the year	12,799.97	10,098.89
Cash and cash equivalents at the end of the year	6,797.83	12,799.97
*includes current and non-current		

Components of cash and cash equivalents:

₹ in lakhs

	31 March 2023	31 March 2022
Cash in hand	1.74	1.83
Drafts on hand	5.10	413.99
With banks		
- in current account	1,865.06	3,729.78
- in Deposits with original maturity for less than or equal to 3 months	4,925.93	8,654.37
Total cash and cash equivalents (Note 14)	**6,797.83**	**12,799.97**

Reconciliations part of cash flows

₹ in lakhs

Particulars	01 April 2022	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2023
Borrowings (including current maturities of long term borrowings).	44,600.60	(4,439.82)	86.21	-	156.92	40,403.92
Lease liabilities (including current maturities)	-	-	-	165.27	-	165.27
Borrowings current (excluding current maturities of long term borrowings).	-	10,273.25	5.38	-	-	10,278.62

* Amortisation of loan processing fees

₹ in lakhs

Particulars	01 April 2021	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2022
Borrowings (including current maturities of long term borrowings).	76,132.35	(32,500.00)	-	-	968.25	44,600.60
Lease liabilities (including current maturities)	-	-	-	-	-	-
Borrowings current (excluding current maturities of long term borrowings).	-	-	-	-	-	-

* Amortisation of loan processing fees









Notes:

1 The above cash flow statement has been prepared by using the Indirect Method as per the Indian Accounting Standard (Ind AS) 7 - " Statement of Cash Flows".

See accompanying notes to the financial statements

This is the cash flow statement referred to in our report of even date.

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VEDULA PRABHAKAR SHARMA
Partner
Membership No: 123088

Place: Mumbai
Date: 26-05-2023

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Daanapura
Date: 26-05-2023

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 26-05-2023

SWETHA S
Company Secretary
M. No:F11494

Place: Daanapura
Date: 26-05-2023

4A. Property, plant and equipment

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2022	412.47	80,041.88	3,59,713.47	341.92	832.90	343.98	420.02	4,42,106.64
Additions	-	933.12	4,919.47	38.89	155.35	58.40	-	6,105.23
Disposals	-	-	300.06	-	-	2.52	48.68	351.26
Reclassification	-	-	-	-	-	-	-	-
Cost/deemed cost as at 31 March 2023	**412.47**	**80,975.00**	**3,64,332.88**	**380.81**	**988.25**	**399.86**	**371.34**	**4,47,860.61**
Accumulated depreciation as at 01 April 2022	-	13,368.71	69,053.32	260.51	684.15	214.30	216.30	83,797.30
Depreciation expense	-	1,653.78	9,143.19	23.68	26.16	45.64	45.39	10,937.84
Deductions	-	-	215.32	-	-	2.40	45.33	263.05
Accumulated depreciation as at 31 March 2023	-	**15,022.49**	**77,981.19**	**284.19**	**710.31**	**257.55**	**216.36**	**94,472.09**
Accumulated impairment as at 01 April 2022	-	30,861.19	1,20,831.91	-	-	-	-	1,51,693.11
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-		-	-	-	-	-	-
Accumulated impairment as at 31 March 2023	-	**30,861.19**	**1,20,831.91**	-	-	-	-	**1,51,693.11**
Net carrying value								
At 31 March 2022	**412.47**	**35,811.98**	**1,69,828.26**	**81.41**	**148.75**	**129.68**	**203.71**	**2,06,616.23**
At 31 March 2023	**412.47**	**35,091.32**	**1,65,519.77**	**96.62**	**277.94**	**142.31**	**154.98**	**2,01,695.41**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads of ₹ 5,722.28 lakhs (FY 2021-22 ₹ 5,276.55 lakhs)

The above assets are mortaged in favour of ICICI Bank, please refer note 17

"No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder."

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

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4A. Property, plant and equipment (contd..)

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2021	314.94	79,073.79	3,55,487.98	333.90	759.81	313.48	381.57	4,36,665.47
Additions	-	968.09	4,536.10	8.02	73.09	30.50	38.45	5,654.25
Disposals	-	-	310.60	-	-	-	-	310.60
Reclassification	97.52	-	-	-	-	-	-	97.52
Cost/deemed as at 31 March 2022	**412.47**	**80,041.88**	**3,59,713.48**	**341.92**	**832.90**	**343.98**	**420.02**	**4,42,106.64**
Accumulated depreciation as at 01 April 2021	-	11,796.92	60,715.37	234.44	674.28	181.92	171.83	73,774.76
Depreciation expense	-	1,571.79	8,392.89	26.08	9.88	32.38	44.48	10,077.50
Deductions	-	-	54.95	-	-	-	-	54.95
Accumulated depreciation as at 31 March 2022	-	**13,368.71**	**69,053.31**	**260.51**	**684.15**	**214.30**	**216.31**	**83,797.31**
Accumulated impairment as at 01 April 2021	-	**30,861.19**	**1,20,834.84**	-	-	-	-	**1,51,696.03**
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	-	2.93	-	-	-	-	2.93
Accumulated impairment as at 31 March 2022	-	**30,861.19**	**1,20,831.91**	-	-	-	-	**1,51,693.10**
Net carrying value								
At 31 March 2022	**412.47**	**35,811.98**	**1,69,828.26**	**81.41**	**148.75**	**129.68**	**203.71**	**2,06,616.23**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads

4B. Capital Work-in-progress

Particulars	31 March 2023	31 March 2022
Capital work-in-progress	24,581.35	1,266.07
Total	**24,581.35**	**1,266.07**

Capital work-in-progress ageing schedule for the year ended 31 March 2023

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	24,500.78	80.57	-	-	24,581.35
Projects temporarily suspended	-	-	-	-	-
Total	**24,500.78**	**80.57**	**-**	**-**	**24,581.35**

Capital work-in-progress ageing schedule for the year ended 31 March 2022

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	1,194.90	-	-	-	1,194.90
Projects temporarily suspended	-	-	-	71.16	71.16
Total	**1,194.90**	**-**	**-**	**71.16**	**1,266.06**

For Capital work-in-progress, whose completion is overdue compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31 March 2023

As at 31 March 2023

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	23,743.96	-	-	-	23,743.96
Gunda Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	642.87	-	-	-	642.87
Total	**24,386.83**	**3.67**	**-**	**-**	**24,390.50**

As at 31 March 2022

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Civil Projects	231.44	-	-	-	231.44
Coal Dryer	195.90	-	-	-	195.90
Reservior Fencing	8.31	-	-	-	8.31
Air Pollution units	54.86	-	-	-	54.86
Ash Conditioner	4.16	-	-	-	4.16
Power line carrier communication	5.58	-	-	-	5.58
Total	**500.25**	**-**	**-**	**-**	**500.25**

5. Right-of-use assets

	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2022	13,640.59	-	13,640.59
Additions	575.53	328.23	903.76
Disposals	-	-	-
Reclassification	-	-	-
Cost as at 31 March 2023	**14,216.12**	**328.23**	**14,544.35**
Accumulated impairment as at 01 April 2022	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2023	**937.73**	**-**	**937.73**
Accumulated amortisation as at 01 April 2022	87.79	-	87.79
Charge for the year	-	26.15	26.15
Disposals	-	-	-
Accumulated amortisation as at 31 March 2023	**87.79**	**26.15**	**113.94**
Total accumulated amortisation and impairment as at 31 March 2023	1,025.52	26.15	1,051.67
Net carrying value as at 31 March 2023	**13,190.60**	**302.08**	**13,492.68**

Cost as at 01 April 2021	13,569.47	-	13,569.47
Additions	168.64	-	168.64
Disposals	(97.52)	-	(97.52)
Cost as at 31 March 2022	**13,640.59**	**-**	**13,640.59**
Accumulated impairment as at 01 April 2021	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2022	**937.73**	**-**	**937.73**
Accumulated depreciation as at 01 April 2021	87.79	-	87.79
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated depreciation as at 31 March 2022	**87.79**	**-**	**87.79**
Total accumulated depreciation and impairment as 31 March 2022	**1,025.52**	**-**	**1,025.52**
Net carrying value as at 31 March 2022	**12,615.07**	**-**	**12,615.07**

*Right-of-use assets of land represents amounts paid to KIADB and site development expenses incurred to acquire land under lease cum sale basis. The company has very insignificant lease liability against the said Right-of-use assets, hence lease liability not recognised.

Leasehold land aggregating to ₹ 6,208.52 lakhs wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	**Amount**
At 01 April 2021	-
Additions	-
Interest Accrued	-
Lease principal payments	-
Lease interest payments	-
At 31 March 2022	-
Additions	**328.23**
Interest Accrued	20.15
Lease principal payments	(162.96)
Lease interest payments	(20.15)
At 31 March 2023	**165.27**

Break-up of lease liabilities:

Particulars	**31 March 2023**	**31 March 2022**
Current	114.45	-
Non-Current	50.82	-

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2023 on an undiscounted basis:

Particulars	**31 March 2023**	**31 March 2022**
Less than 1 year	124.74	-
1-5 years	51.98	-
More than 5 years	-	-

The Company does not face any 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 they fall due.

6. Other intangible assets

Intangibles	**Computer software**	**Total**
Cost/deemed cost		
Cost as at 31 March 2022	**207.18**	**207.18**
Additions	40.50	40.50
Disposals	-	-
Cost as at 31 March 2023	**247.68**	**247.68**
Accumulated amortization as at 01 April 2022	**170.06**	**170.06**
Amortization expense	31.06	31.06
Deductions	-	-
Accumulated amortization as at 31 March 2023	**201.12**	**201.12**
Net carrying value as at 31 March 2023	**46.56**	**46.56**

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

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Cost as at 01 April 2021	193.93	**193.93**
Additions	13.25	13.25
Disposals	-	-
Cost as at 31 March 2022	**207.18**	**207.18**
Accumulated amortization as at 01 April 2021	139.61	139.61
Amortization expense	30.45	30.45
Deductions	-	-
Accumulated amortization as at 31 March 2022	**170.06**	**170.06**
Net carrying value as at 31 March 2022	**37.12**	**37.12**
Useful life of the asset	03	
Method of amortization	SLM	

7. Loans (Unsecured, considered good)

	31 March 2023		31 March 2022	
	Non-current	Current	Non-current	Current
Loans*				
to related parties	-	25,500.00	-	24,000.00
to other body corporate	-	1,389.97	-	1,191.97
to employees	-	-	0.92	0.68
Total	-	**26,889.97**	**0.92**	**25,192.65**

Loans to related parties are given for their business purpose. Details of loans given to related parties has been disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Details of Loans and Advances in the nature of loans to related parties:

	31 March 2023		31 March 2022	
Name of the Company	**Maximum amount outstanding during the year**	**Amount outstanding**	**Maximum amount outstanding during the year**	**Amount outstanding**
Adarsh Advisory Services Private Limited	12,500.00	12,500.00	12,500.00	12,500.00
Everbest Consultancy Services Private Limited	8,000.00	8,000.00	8,000.00	8,000.00
South West Mining Limited	3,500.00	3,500.00	25,500.00	3,500.00
JSW Shipping & Logistics Private Limited	-	-	2,800.00	-
Ranjitpura Infrastructure Private Limited	1,500.00	1,500.00	-	-

8. Other financial assets (at amortised cost)

Non-current	31 March 2023	31 March 2022
Security Deposits		
- Considered good	427.93	407.07
- Considered doubtful	158.36	158.36
Less: allowance for doubtful deposit	(158.36)	(158.36)
	427.93	**407.07**
Bank Deposits with original maturity for more than 12 months	277.91	194.47
Interest accrued on bank deposits	5.92	3.21
	711.76	**604.75**
Current		
Security Deposits (Considered good)		
to related parties	40.00	40.00
to others	3,367.12	1,921.09
Interest accrued on term deposits/security deposits	286.35	62.18
Interest accrued on intercorporate deposits	520.62	581.05
	4,214.09	**2,604.32**
Total	**4,925.85**	**3,209.07**

There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
Details of security deposits given to related parties has been disclosed under note 44.
Security deposit given to related party is as per rental agreement.

9. Income taxes

Indian companies are subject to Indian income tax on the basis of standalone financial statements. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on 01 April and ending on 31 March.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, expenses not deductable, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and cess.

a. Income tax expense

	For the year ended	
	31 March 2023	**31 March 2022**
Current tax:		
Current tax	-	-
Tax refund/reversal pertaining to earlier years	-	-
Deferred tax:		
Deferred tax	4,756.02	17,171.71
Total deferred tax	**4,756.02**	**17,171.71**
Total tax expense	**4,756.02**	**17,171.71**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	For the year ended	
	31 March 2023	**31 March 2022**
Profit before tax	16,964.63	67,701.29
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	**4,269.66**	**17,039.06**
Expenses not deductible in determining taxable profits	454.14	244.34
Income not taxable in determining taxable profits	-	(143.68)
Impact on account of amortisation of loan processing fees	39.49	23.30
Others	(7.27)	8.69
Tax expense for the year	**4,756.02**	**17,171.71**
Effective income tax rate	**28.03%**	**25.36%**

b. Deferred tax assets/(liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Deferred tax balance in relation to	**Balance as at 31 March 2022**	**Recognised/ reversed through profit and loss**	**Recognised in/ reclassified from OCI**	**Balance as at 31 March 2023**
Property, plant and equipment	(15,590.37)	(3,782.86)	-	(19,373.23)
Carried forward business loss/unabsorbed depreciation	17,753.21	(2,115.05)	-	15,638.17
Retirement benefit obligation	116.50	34.35	(23.17)	127.68
Others	1,434.78	1,107.54	-	2,542.32
Total	**3,714.12**	**(4,756.02)**	**(23.17)**	**(1,065.06)**

Deferred tax balance in relation to	**Balance as at 31 March 2021**	**Recognised/ reversed through profit and loss**	**Recognised in/ reclassified from OCI**	**Balance as at 31 March 2022**
Property, plant and equipment	(10,754.77)	(4,835.60)	-	(15,590.37)
Carried forward business loss/unabsorbed depreciation	30,434.73	(12,681.52)	-	17,753.21
Retirement benefit obligation	131.78	10.84	(26.12)	116.50
Others	1,100.21	334.57	-	1,434.78
Total	**20,911.95**	**(17,171.71)**	**(26.12)**	**3,714.12**

The Company has exercised the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has measured its net deferred tax assets/liability on the basis of the rate prescribed in the said section.

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10. Income Tax assets (Net)

	31 March 2023	31 March 2022
Income taxes paid under protest	1,866.36	1,866.36
Income tax refund receivable	812.26	270.11
Advance income tax	618.49	542.15
Total	**3,297.11**	**2,678.62**

Note: Income Tax liability for FY 2022-23 is nil (FY 2021-22 is nil) due to carry forward lossess.

11. Other assets* (unsecured)

	31 March 2023		31 March 2022	
	Non-current	Current	Non-current	Current
Capital advances, considered good	4,017.34	-	3,350.76	-
Security deposits, considered good	334.99	-	334.87	-
Gratuity fund balance (net of liability)	75.07	-	-	-
Pre-paid expenses, considered good	123.93	359.59	3.99	271.93
Advances to suppliers and others, considered good	-	7,232.52	-	10,203.44
Advances to suppliers and others, considered doubtful	762.16	-	763.69	-
Less: Allowances for doubtful advances	(762.16)	-	(763.69)	-
Sub-total	-	**7,232.52**	-	**10,203.44**
Balances with statutory and govt authorities, considered good	1,676.23	-	2,408.99	-
Balances with statutory and govt authorities, considered	28.00	-	28.00	-
Less: Allowances for doubtful advances	(28.00)	-	(28.00)	-
Sub-total	**1,676.23**	-	**2,408.99**	-
Total	**6,227.56**	**7,592.11**	**6,098.61**	**10,475.37**
Unsecured, considered good	6,227.56	7,592.11	6,098.61	10,475.37
Unsecured, considered doubtful	790.16	-	791.69	-

Details of advances paid to related parties has been disclosed under note 44

* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

12. Inventories

	31 March 2023	31 March 2022
Raw materials (at cost)	18,631.90	17,103.80
Work-in-progress (at cost)	180.48	47.51
Finished goods (at cost or net realisable value)	4,878.16	13,543.38
Others (valued at net realizable value)	855.49	693.51
Stores and spares (at cost)	7,531.61	6,136.77
Total	**32,077.64**	**37,524.97**

Details of Stock-in-transit (included in above inventories)

	31 March 2023	31 March 2022
Raw materials	4,004.18	1,205.11
Total	**4,004.18**	**1,205.11**

The above inventories are hypothicated in favour of ICICI Bank, please refer note 17

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13. Trade receivables*

	31 March 2023	31 March 2022
Unsecured, considered good	5,283.49	9,848.85
Considered doubtful	49.49	49.49
Less: Allowance for doubtful receivables	(49.49)	(49.49)
Total	5,283.49	9,848.85

Trade receivables ageing Schedule as on 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	5,332.98	-	-	-	-	5,332.98
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.49)	-	-	-	-	(49.49)
Total	5,283.48	-	-	-	-	5,283.49

Trade receivables ageing Schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	9,879.14	-	0.05	4.67	14.48	9,898.35
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.40)	-	(0.00)	(0.02)	(0.07)	(49.49)
Total	9,829.75	-	0.05	4.65	14.41	9,848.85

The credit period on sales of goods ranges from 7 to 30 days with or without security.
The company is providing 0.5% as allowance for doubtful debts towards expected credit losses considering the business model.

The Company's exposure to customers is diversified and no single customer other than related parties, contributes more than 10% of the outstanding receivables as at 31 March 2023 and 31 March 2022.

Trade receivables from related parties are disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
The above receivables are hypothicated in favour of ICICI Bank, please refer note 17

Movement of doubtful receivables:	31 March 2023	31 March 2022
Opening loss allowance	49.49	41.37
Allowance provided during the year	-	8.55
Allowance reversed during the year	-	(0.44)
Closing loss allowance	49.49	49.49

14. Cash and bank balances

Cash and cash equivalents **Balances with banks**	**31 March 2023**	**31 March 2022**
In current accounts	1,865.06	3,729.78
Deposits with original maturity for less than or equal to 3 months	4,925.93	8,654.37
Drafts on hand	5.10	413.99
Cash on hand	1.74	1.83
	6,797.83	**12,799.97**
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	35,149.25	547.61
Margin money deposits*	574.33	9,792.55
Deposits held for CSR purpose	251.71	-
Bank balances towards CSR purpose	3.43	-
	35,978.72	**10,340.16**
Total	**42,776.55**	**23,140.13**

*includes term deposits held as margin money for security against the bank guarantees.

15. Equity share capital

Authorised share capital:	**31 March 2023**	**31 March 2022**
30,00,00,000 (31 March 2022: 30,00,00,000) Equity shares of ₹ 10 each	30,000.00	30,000.00
Issued, subscribed and fully paid-up shares:		
25,70,98,746 (31 March 2022: 25,70,98,746) Equity shares of ₹ 10 each	25,709.87	25,709.87
Total	**25,709.87**	**25,709.87**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2023		**31 March 2022**	
Equity shares	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the period	25,70,98,746	25,709.87	25,70,98,746	25,709.87
Issued during the period	-	-	-	-
Outstanding at the end of the period	**25,70,98,746**	**25,709.87**	**25,70,98,746**	**25,709.87**

B. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Shares held by holding company*

	31 March 2023		**31 March 2022**	
Equity shares of ₹ 10/- each fully paid	No. of shares	% of holding	No. of shares	% of holding
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%

D. Details of shareholders holding more than 5% shares in the company*

	31 March 2023		**31 March 2022**	
Equity shares of ₹ 10/- each fully paid	No. of shares	% of holding	No. of shares	% of holding
Dinesh Kumar Singhi	10,67,04,504	41.50%	10,67,04,504	41.50%
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%

E. Shares held by promotors as on 31 March 2023*

Shares held by promotors at the end of the year

S NO	Promoter Name	No. of shares	% of total shares	% Change during the year
1	JSW Projects Limited	15,03,25,637	58.47%	-
2	Dinesh Kumar Singhi	10,67,04,504	41.50%	-
3	Snehalatha Singhi	68,605	0.03%	-

*As per the records of the company, including it's register of shareholders / members, the above shareholding represents legal and/or beneficial ownership of shares.

F. The company has not allotted any shares pursuant to contracts without payment being received in cash during the 5 years immediately preceding the date of the balance sheet.

16. Other equity

A. Retained earnings

Retained earnings are the profits and gains that the company has earned till date, less any transfer to general reserve, debenture redemption reserve or other reserves, dividends or other distributions paid to shareholders.

The details of movement in retained earnings is as below:

	31 March 2023	31 March 2022
Balance at the beginning of the year	1,70,747.04	1,12,889.79
Profit for the year	12,208.61	50,529.58
Remeasurement of post-employment defined benefit plans	68.88	77.67
Transfer to debenture redemption reserve	-	7,250.00
Balance at the end of the year	**1,83,024.53**	**1,70,747.04**

B. Equity instruments through other comprehensive income

The details of other comprehensive income recognised during the year is as below:

	31 March 2023	31 March 2022
Balance at the beginning of the year	(338.36)	(338.36)
Balance at the end of the year	**(338.36)**	**(338.36)**

C. Other reserves

a. Securities premium

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

The details of movement in securities premium is as below:

	31 March 2023	31 March 2022
Balance at the beginning of the year	19,586.08	19,586.08
Balance at the end of the year	**19,586.08**	**19,586.08**

b. Debenture redemption reserve

The Debenture redemption reserve is created as per the requirements of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014. The amount represents 10% of the amount payable on redemption of debentures.

The details of movement in debenture redemption reserve during the year is as below:

	31 March 2023	31 March 2022
Balance at the beginning of the year	-	7,250.00
Transfer during the year	-	(7,250.00)
Balance at the end of the year	-	-
D. Equity component of compulsory convertible debentures*	**59,804.06**	**59,804.06**
Total	**2,62,076.30**	**2,49,798.82**

*** Terms/rights attached to compulsory convertible debentures (Also refer note 41)**

On 27 October 2020, as per the terms of the Investment Agreement dated 04 March 2020 read with amendment Agreement dated 22 October 2020, the company has allotted 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each and 16,01,83,717 Series A Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each to M/s. JSW Projects Limited.

On 27 October 2020, as per the terms of the Investment Agreements, the outstanding unsecured loans from Mr. Dinesh Kumar Singhi of ₹ 20,024.98 lakhs and Mrs. Snehalatha Singhi of ₹ 4,811.65 lakhs were converted into 20,02,49,805 and 4,81,16,473 of Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively.

On 16 December 2020, upon satisfactory completion of conditions referred in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each

The terms and conditions of the debentures are as follows:

1. Series A-CCD and Series C-CCD have a term period of maximum 20 years starting from the date of allotment and the holder of the said debentures shall have the right to convert each CCD into one equity share of ₹ 10 each of the company at any time during the debenture term.
2. Series B-CCD have a term period of maximum 20 years starting from the date of allotment and each Series B-CCD shall automatically and mandatorily be converted to one equity share of ₹ 10 each upon conversion of Series A-CCD on prorata basis.
3. All the CCD's do not carry any coupon payments during the term of the debentures.

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17. Borrowings (at amortised cost)

	31 March 2023		31 March 2022	
	Non-current	Current	Non-current	Current
Term loans from Banks (secured)				
ICICI Bank	25,000.00	10,000.00	35,000.00	10,000.00
Less: Unamortised processing fees	(131.37)	(119.11)	(250.48)	(156.92)
	24,868.63	**9,880.89**	**34,749.52**	**9,843.08**
Acceptance for capital projects with maturity more than 1 year (secured)	5,654.39	-	-	-
Other loans (unsecured)				
Inter corporate deposits from related party	-	-	-	-
Inter corporate deposits from others	-	-	-	8.00
	30,523.02	**9,880.89**	**34,749.52**	**9,851.08**
The above amount includes				
Secured borrowings	30,523.02	9,880.89	34,749.52	9,843.08
Unsecured borrowings	-	-	-	8.00
Amount disclosed in Note 19	-	(9,880.89)	-	(9,851.08)
	30,523.02	-	**34,749.52**	-

1a. Term Loan (secured)

On 26 November 2021, the company has taken rupee term loan of ₹ 50,000 lakhs from ICICI bank as part re-financing of Non-Convertable Debentures (NCD) issued to J.P. Morgan Securities Aisa Private Limited . The term loan carries an interest ranging from 8.35% to 9.05% and was payable on monthly basis with principal repayments in 20 quarterly instalments. The security for the said loan was first charge over the movable and immovable assets of the company; second charge on the current assets of the company and the said loan shall be further secured by pledge of 30% of the equity share capital of the company. The company has filed form CHG-1 on 10 December 2021 towards creation of charge infavour of ICICI Bank by creating first charge over movable assets. Further, the company has filed form CHG-1 on 9th June, 2022, for modification of the charge to register the 'Memorandum of Entry (MOE)- Mortgage by deposit of Title Deeds' executed in favour of ICICI Bank Limited.

1b. Non-Convertible Debentures (secured)

On 02 November 2020, the company allotted 7,250 Non-Convertible Debentures of ₹ 10,00,000 each issued at a discount of 1% with a coupon rate of 12% per annum payable monthly . The said debentures are secured by an exclusive first charge over all the movable and immovable assets of the company and second charge on the current assets of the company. The said debentures are further secured by pledge of 99.99% of the equity share capital and other convertible securities of the company. The said debentures are redeemable in 60 months with repayment starting from 13th month from the date of allotment and the same are redeemable at premium at 16% IRR for the first two years from the date of allotment and subsequently at 17% IRR for the balance remaining period. The issuer shall on any on any business day falling after the expiry of 90 (ninety) days from the deemed date of allotment, be entitled to redeem the Debentures, in full or in part. Further, the debenture holder is entitled to exercise put option for redemption of outstanding debentures after 24 months from the date of allotment. The company has redeemed the above NCD along with interest and premium on 26-Nov-2021. The company has filed the form CHG 4 on 03 December 2021 towards satisfaction of charge given infavour of Catalyst Trusteeship Ltd (Debenture Trustees of J.P. Morgan Securities Asia Private Limited).

2. During the FY 2022-23, the Company has availed from ICICI Bank Limited –
CAPEX Letter of Credit facility with a limit upto ₹ 15,000 lakhs with maximum usance period of 1080 days. These facilities have been secured by creating exclusive charge on specified assets being procured in form of any movable plant and machinery, machinery spares, tools and accessories, other movables. The necessary form CHG-1 has been filed on 18th October, 2022. Interest ranges from 3.6% to 4.6% p.a

3. Inter-corporate deposit of ₹ 8 lakhs is interest free and is repayable on demand and the same is writtenback during the FY 2022-23.

4. Inter-corporate deposits of ₹ 5,000 lakhs is unsecured with interest payable @ 16% IRR payable monthly and is subordinate to the non-convertible debentures issued by the company. The company has repaid above loan on 26 November 2021.

5. The Company has used the borrowings from banks for the specific purpose for which it was obtained.

18. Provisions

	31 March 2023		31 March 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for gratuity	-	-	7.58	-
Provision for compensated leave absence	448.00	59.31	409.64	45.66
Total	**448.00**	**59.31**	**417.22**	**45.66**

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19. Borrowings (current, at amortised cost)

	31 March 2023	31 March 2022
Current maturities of long term borrowings - Term loans	9,880.89	9,843.08
Working capital loans (including Acceptances)	10,278.62	-
Unsecured loan from others	-	8.00
Total	**20,159.51**	**9,851.08**
The above amount includes		
Secured borrowings	20,159.51	9,843.08
Unsecured borrowings	-	8.00

Working Capital (including non-fund bassed limits) and Derivative limits upto ₹ 15,000 lakhs and ₹ 4,000 lakhs, respectively. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables. The necessary form CHG-1 has been filed on 18th October, 2022. Letter of credit carries interest rate ranges from 5.5% to 5.9% p.a.
The Company has used the borrowings from banks for the specific purpose for which it was obtained.

20. Trade payables

	31 March 2023	31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	3,105.13	1,663.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,651.41	5,847.10
Unbilled Trade payables	93.25	238.37
Total	**10,849.79**	**7,748.94**

Trade payables ageing schedule for the year ended as on 31 March 2023:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	3,042.21	20.38	19.07	23.46	3,105.13
Outstanding dues to others	93.25	7,194.82	45.54	101.33	309.72	7,744.66
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**93.25**	**10,237.04**	**65.93**	**120.40**	**333.18**	**10,849.79**

Trade payables ageing schedule for the year ended as on 31 March 2022:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	1,587.22	42.63	19.17	14.45	1,663.47
Outstanding dues to others	238.37	5,341.21	145.55	130.80	229.55	6,085.47
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**238.37**	**6,928.42**	**188.18**	**149.96**	**244.00**	**7,748.94**

Trade payables to related parties details are furnished in note 44.

21. Other financial liabilities (as amortised cost)

	31 March 2023		31 March 2022	
	Non-Current	Current	Non-Current	Current
Interest accrued and not due on borrowings	-	140.20	-	10.29
Others				
Creditors for capital purchases	-	3,653.35	-	2,428.61
Creditors for expenses	-	518.42	-	410.68
Others	-	1,019.60	-	301.84
Total	**-**	**5,331.57**	**-**	**3,151.42**

Amounts due to related parties details has been described in note 44.

22. Other current liabilities

	31 March 2023	31 March 2022
Advances from customers	3,312.86	2,126.69
Statutory liabilities	9,177.76	8,811.42
Others	7.96	7.16
Total	**12,498.58**	**10,945.27**

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23. Revenue from operations	31 March 2023	31 March 2022
Sale of products	3,60,392.81	3,76,267.50
Other operating revenue	4,073.38	2,645.93
Total	**3,64,466.19**	**3,78,913.43**

a. Ind AS 115 Revenue from contracts with customers

The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

	31 March 2023	31 March 2022
Revenue from contracts with customers-sale of products	3,60,392.81	3,76,267.50
Other operating revenue	4,073.38	2,645.93
Total revenue from operations	**3,64,466.19**	**3,78,913.43**
Revenue within India	3,64,466.19	3,78,913.43
Revenue from outside India	-	-
Total revenue from operations	**3,64,466.19**	**3,78,913.43**
Timing of revenue recognition		
At a point of time	3,64,466.19	3,78,913.43
Total revenue from operations	**3,64,466.19**	**3,78,913.43**

Contract balances:	As at 31 March 2023	As at 31 March 2022
Trade receivables (refer note 13)	5,283.49	9,848.85
Contract liabilities		
Advances received from customers (refer note 22)	3,312.86	2,126.69

The credit period on sales of goods ranges from 7 to 30 days with or without security.

As at 31 March 2023, an amount of ₹ 49.49 lakhs (31 March 2022: ₹ 49.49 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include short term trade advances received for sale of goods. The outstanding balances of these accounts increased due to receipt of advances for sale of products in the next financial year.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year is ₹ 2,126.69 lakhs (31 March 2022: ₹ 1,418.52 lakhs) and performance obligations satisfied in previous years is ₹ Nil (31 March 2022: ₹ Nil).

Out of the total contract liabilities outstanding as on 31 March 2023 ₹ 3,312.86 lakhs (31 March 2022: ₹ 2,126.69 lakhs) will be recognized on execution of contract by 31 March 2024.

Refund liabilities:	As at 31 March 2023	As at 31 March 2022
Arising from volume rebates (included in other financial liabilities-note 21)	124.15	71.38

The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss account.

SHAH GUPTA & CO. MUMBAI (FRN 109574W) CHARTERED ACCOUNTANTS

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24. Other income	31 March 2023	31 March 2022
Interest income from term deposits	1,107.01	447.53
(includes TDS credit of CY ₹ 111.47 and PY ₹ 44.72)		
Interest income from security deposits	14.58	102.81
(includes TDS credit of CY ₹ 1.46 and PY ₹ 10.29)		
Interest income from others	397.55	-
(includes TDS credit of CY ₹ 39.76 and PY ₹ 0.00)		
Interest income from Inter Corporate Deposits	2,567.50	2,622.66
(includes TDS credit of CY ₹ 236.95 and PY ₹ 242.47)		
Other non-operating income		-
a. Dispatch money earned	42.79	1.91
b. Other miscellaneous income	350.10	131.53
Total	**4,479.53**	**3,306.44**

25. Cost of material consumed	31 March 2023	31 March 2022
Inventory at the beginning of the year	17,103.80	17,439.84
Add: Purchases	2,90,415.59	2,59,836.79
	3,07,519.39	**2,77,276.63**
Less: Transferred to capital work- in-progress	1,663.23	179.26
Less: Inventory at the end of the year	18,631.90	17,103.80
Cost of materials consumed	**2,87,224.26**	**2,59,993.57**
Cost of materials consumed disclosed is on the basis of derived figures.		

26. Changes in inventories of finished goods, stock in trade and work in progress

	31 March 2023	31 March 2022
Inventories at the end of the year		
Finished goods & others	5,733.65	14,236.90
Work-in-progress	180.48	47.51
	5,914.13	**14,284.41**
Inventories at the beginning of the year		
Finished goods & others	14,236.89	9,568.10
Work-in-progress	47.51	1,694.99
	14,284.40	**11,263.09**
(Increase) / Decrease	**8,370.27**	**(3,021.32)**

27. Employee benefits expense	31 March 2023	31 March 2022
Salary, wages & bonus	5,090.53	4,710.16
Contribution to provident and other funds	629.50	616.19
Staff welfare expenses	608.15	485.62
Total	**6,328.18**	**5,811.97**

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

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28. Finance costs	31 March 2023	31 March 2022
Interest on bank overdrafts, loans, debentures and others	4,023.60	8,207.21
Amortizatoin of loan processing fees, discount and transaction costs	231.92	1,468.25
Bank charges	125.01	2.67
Total	**4,380.53**	**9,678.13**

29. Depreciation and amortization expense	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	10,937.84	10,077.50
Amortizàtion of intangible assets	31.06	30.45
Depreciation of Right-of-use assets	26.15	-
Total	**10,995.05**	**10,107.95**

30. Other expenses	31 March 2023	31 March 2022
Consumption of stores and spares	12,613.02	10,654.42
Repairs and maintenance - building	306.61	257.20
Repairs and maintenance - plant and machinery	1,299.82	1,264.23
Repairs and maintenance - others	318.08	284.79
Power & fuel	6,190.38	5,111.11
Labour charges	4,148.91	3,958.76
Analysis & laboratory charges	41.04	15.97
Machinery hire charges	1,325.67	1,050.97
Water withdrawal charges	184.00	159.81
Office & general administration expenses	1,198.52	999.37
Communication expenses	29.11	26.78
Insurance	509.51	386.53
Legal and professional charges	470.69	391.22
Travelling & conveyance	43.77	45.68
Rates & taxes	992.76	223.43
Security and service charges	499.17	470.83
Printing and stationery	18.33	17.33
Rent	85.84	88.89
Directors sitting fees	16.30	14.00
Donations	28.18	33.97
Corporate Social Responsibility expenses	1,623.19	902.92
Loss on sale of fixed assets/investments (net)	150.72	38.69
Exchange rate fluctuation (net)	10.37	60.78
Payment to auditor (refer details below)	12.00	11.00
Advertisement & business promotion	3.58	1.09
Commission on sales	26.46	14.76
Advances/balances written off	18.01	0.01
Allowance for doubtful advances	-	42.49
Allowance for doubtful debts	-	8.55
Loading and unloading charges	138.51	332.68
Freight and demurrage charges	1,986.27	4,867.20
Power export expenses	299.73	145.81
Others	94.28	67.01
Total	**34,682.80**	**31,948.28**

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

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Payment to auditor	31 March 2023	31 March 2022
As auditor:		
Audit fees	11.00	10.00
Tax audit fees	1.00	1.00
In other capacity:		
Other services (consultancy, certification fee and reimbursement of expenses)	-	-
Total	**12.00**	**11.00**

31. Earnings per share (EPS)	31 March 2023	31 March 2022
Profit after tax	12,208.61	50,529.58
Closing number of equity shares (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for basic EPS (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for diluted EPS (No's)	85,51,39,387	85,51,39,387
Basic earnings per share (in ₹)	4.75	19.65
Diluted earnings per share (in ₹)	1.43	5.91
Nominal value of shares (in ₹)	10.00	10.00

32. Balances of trade receivables, trade payables and loans are subject to confirmation/reconciliation, if any.

33. In the opinion of Board of Directors adequate provision has been made in the accounts for all known liabilities and the current assets and loans have a value on realization in the ordinary course of business at least equal to the value stated in the balance sheet.

34. The company's other leasing arrangements are in the nature of operating leases. These are cancellable operating leases and the agreements are normally renewed on expiry. The aggregate lease rentals payable are charged as rent under note 30.

35. Financial instruments

I. Capital risk management

The company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from external borrowings. The company is not subject to any externally imposed capital requirements.

The company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings from banks and related parties less cash and cash equivalents, bank balances other than cash and cash equivalents.

₹ in lakhs

Particulars	31 March 2023	31 March 2022
Long term borrowings	30,523.02	34,749.52
Short term borrowings	20,159.51	9,851.08
Less: Cash and cash equivalent	(6,797.83)	(12,799.97)
Less: Bank balances other than cash and cash equivalents	(35,149.25)	(547.61)
Net debt	**8,735.45**	**31,253.02**
Total equity	**2,87,786.17**	**2,75,508.69**
Gearing ratio	**0.03**	**0.11**

i. Equity includes all capital and reserves of the company that are managed as capital.
ii. Debt is defined as long and short term borrowings, as described in notes 17 and 19.

II. Categories of financial instruments

₹ in lakhs

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	31 March 2023		31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Loans	26,889.97	26,889.97	25,193.57	25,193.57
Other financial assets	4,925.85	4,925.85	3,209.07	3,209.07
Trade receivables	5,283.49	5,283.49	9,848.85	9,848.85
Cash and cash equivalents	6,797.83	6,797.83	12,799.97	12,799.97
Bank balances other than cash and cash equivalents	35,978.72	35,978.72	10,340.16	10,340.16
Total financial assets at amortised cost	**79,875.86**	**79,875.86**	**61,391.62**	**61,391.62**
Financial liabilities				
Measured at amortised cost				
Long term borrowings	30,523.02	30,523.02	34,749.52	34,749.52
Short term borrowings	20,159.51	20,159.51	9,851.08	9,851.08
Lease liabilities	165.27	165.27	-	-
Trade payables	10,849.79	10,849.79	7,748.94	7,748.94
Other financial liabilities	5,331.57	5,331.57	3,151.42	3,151.42
Total financial liabilities at amortised cost	**67,029.16**	**67,029.16**	**55,500.96**	**55,500.96**

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III. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade and other payables, security deposits taken, employee liabilities. The Company's principal financial assets include trade and other receivables, loans given and cash and short-term deposits/ loan that derive directly from its operations.
The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance function provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and approves policies for managing each of these risks, which are summarised below.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

IV. 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 the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

V. Foreign currency risk management

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 costs of imports, primarily in relation to raw materials.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2023 — **₹ in lakhs**

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	26,889.97	-	-	-	26,889.97
Trade receivables	5,283.49	-	-	-	5,283.49
Cash and cash equivalents	6,797.15	0.44	-	0.24	6,797.83
Bank balances other than cash and cash equivalents	35,978.72	-	-	-	35,978.72
Other financial assets	4,925.85	-	-	-	4,925.85
Total financial assets	**79,875.18**	**0.44**	-	**0.24**	**79,875.86**
Financial liabilities					
Long term borrowings	24,868.63	-	5,654.39	-	30,523.02
Lease liabilities	165.27	-	-	-	165.27
Short term borrowings	20,159.40	0.10	-	-	20,159.51
Trade payables	10,759.47	90.32	-	-	10,849.79
Other financial liabilities	3,501.05	1,147.58	-	682.93	5,331.57
Total financial liabilities	**59,453.83**	**1,238.01**	**5,654.39**	**682.93**	**67,029.16**

Currency exposure as at 31 March 2022 — **₹ in lakhs**

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	25,193.57	-	-	-	25,193.57
Trade receivables	9,848.85	-	-	-	9,848.85
Cash and cash equivalents	12,799.73	0.41	-	0.24	12,800.38
Bank balances other than cash and cash equivalents	10,340.16	-	-	-	10,340.16
Other financial assets	3,209.07	-	-	-	3,209.07
Total financial assets	**61,391.38**	**0.41**	-	**0.24**	**61,392.03**
Financial liabilities					-
Long term borrowings	34,749.52	-	-	-	34,749.52
Short term borrowings	9,851.08	-	-	-	9,851.08
Trade payables	7,748.35	0.59	-	-	7,748.93
Other financial liabilities	2,090.98	1,060.44	-	-	3,151.41
Total financial liabilities	**54,439.91**	**1,061.03**	-	-	**55,500.95**

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

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The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Receivable				
USD/INR	0.01	0.01	(0.01)	(0.01)
Payable				
USD/INR	(19.21)	(10.61)	19.21	10.61

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Receivable				
EURO/INR	-	-	-	-
Payable				
EURO/INR	(56.54)	-	56.54	-

Unhedged currency risk position

i) Amount receivable in foreign currency

₹ in lakhs

Particulars	31 March 2023		31 March 2022	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Foreign currency in hand	0.01	0.68	0.01	0.65
Total	**0.01**	**0.68**	**0.01**	**0.65**

ii) Amount payable in foreign currency

₹ in lakhs

Particulars	31 March 2023		31 March 2022	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Trade payables	1.09	90.32	0.01	59,266.00
Other financial liabilities	22.17	1,830.51	13.90	1,060.44
Total	**23.26**	**1,920.83**	**13.91**	**60,326.44**

VI. Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of iron ore, coal, ferro alloys, scrap and other raw material inputs. The Company purchased all of its iron ore and coal requirements from third parties in the open market during the year ended 31 March 2023.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials in general move in the same direction.

The Company is exposed to commodity price risk on account of not using commodity hedging to manage volatility in commodity prices.

The following table details the Company's sensitivity to a 5% movement in the input price of iron ore and coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice versa.

₹ in lakhs

Commodity	Increase		Decrease	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Iron ore	5,543.92	7,814.08	(5,543.92)	(7,814.08)
Coal	7,614.27	4,126.64	(7,614.27)	(4,126.64)

SHAH GUPTA & CO. MUMBAI CHARTERED ACCOUNTANTS

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VII. 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 is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees, US dollars and EURO with floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate, SOFR and EURIBOR. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's floating rate borrowings: **₹ in lakhs**

Particulars	31 March 2023	31 March 2022
Fixed rate borrowings	-	-
Floating rate borrowings	50,933.02	45,000.00
Total gross borrowings	**50,933.02**	**45,000.00**
Less: Unamortised discount and transaction costs	(250.48)	(407.40)
Total borrowings (refer note 17)	**50,682.54**	**44,592.60**

VIII. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. Single customer accounted for FY 2022-23 (group companies for FY 2021-22) for 10.00% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties and accordingly, the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2023 is considered adequate.

Movement in allowance for bad and doubtful debts **₹ in lakhs**

Particulars	Amount
Ast at 01 April 2021	41.37
Additional Allowance	8.56
Reversal During the year	(0.44)
As at 31 March 2022	**49.49**
Additional Allowance	-
Reversal During the year	-
As at 31 March 2023	**49.49**

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 79,875.85 lakhs as at 31 March 2023 and ₹ 61,391.62 lakhs as at 31 March 2022, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2023 is considered adequate.

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

The Company's maximum exposure to the credit risk for the components of balance sheet as at 31 March 2023 and 31 March 2022 is the carrying amounts mentioned in note no 13 (trade receivables note).

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IX. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March 2023 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	26,889.97	-	-	26,889.97
Trade receivables	5,283.49	-	-	5,283.49
Cash and cash equivalents	6,797.83	-	-	6,797.83
Bank balances other than cash and cash equivalents	35,978.72	-	-	35,978.72
Other financial assets	4,214.09	342.25	369.51	4,925.85
Total financial assets	**79,164.10**	**342.25**	**369.51**	**79,875.86**
Financial liabilities				
Long term borrowings	-	30,523.02	-	30,523.02
Short term borrowings	20,159.51	-	-	20,159.51
Lease liabilities	114.45	50.82	-	165.27
Trade payables	10,849.79	-	-	10,849.79
Other financial liabilities	5,331.57	-	-	5,331.57
Total financial liabilities	**36,455.32**	**30,573.84**	**-**	**67,029.16**

Liquidity exposure as at 31 March 2022 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	25,192.65	0.92	-	25,193.57
Trade receivables	9,848.85	-	-	9,848.85
Cash and cash equivalents	12,799.97	-	-	12,799.97
Bank balances other than cash and cash equivalents	10,340.16	-	-	10,340.16
Other financial assets	2,604.32	250.78	353.96	3,209.06
Total financial assets	**60,785.95**	**251.70**	**353.96**	**61,391.61**
Financial liabilities				
Long term borrowings	-	34,749.52	-	34,749.52
Short term borrowings	9,851.08	-	-	9,851.08
Lease liabilities	-	-	-	-
Trade payables	7,748.94	-	-	7,748.94
Other financial liabilities	3,151.42	-	-	3,151.42
Total financial liabilities	**20,751.45**	**34,749.52**	**-**	**55,500.96**

X. Level wise disclosure of financial instruments

The carrying amount of financial assets and financial liabilites as stated above is considered to be same of it's fair values.

There are no transfers between level 1, Level 2 and Level 3 during the period.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short-term nature.

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36. Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund recognized in statement of profit & loss is ₹ 353.23 lakhs (for the year ended 31 March 2022: ₹ 336.43 lakhs) (included in note 27).

B. Defined benefit plan:

The Company sponsors funded defined benefit plans for all qualifying employees. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of completed service until the retirement age of 58 years as per the provisions of The Payment of Gratuity Act, 1972. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk, market risk, investment risk and longevity risk.

i. Interest rate risk:

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and thus result in an increase in the value of the liability (as shown in financial statements).

ii. Liquidity risk:

This is the risk that the company is not able to meet the short-term gratuity payouts. This may rise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii. Salary escalation risk:

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv. Demographic risk:

The company has used certain mortality and attrition assumptions in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

v. Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of The Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulation requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of ₹ 20.00 lakhs).

vi. Market risk:

The duration of the liability is longer compared to the duration of the assets, exposing the company to market risk for volatities/fall in interest rate.

vii. Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

viii. Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2023 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (funded)

a. Liability recognized in the balance sheet **₹ in lakhs**

Particulars	For the year ended	
	31 March 2023	31 March 2022
Present value of obligation		
Present Value of obligation as at the beginning of the year	1,243.51	1,213.84
Current service cost	127.43	128.20
Interest cost	86.36	77.02
Actuarial (gain) / loss on obligation	(87.31)	(102.71)
Benefits paid	(78.90)	(72.86)
Present value of obligation as at the end of the year	**1,291.09**	**1,243.51**

₹ in lakhs

Change in the fair value of plan assets	31 March 2023	31 March 2022
Fair value of plan assets as at the beginning of the year	1,235.92	1,115.77
Interest income	85.85	70.80
Employers Contributions	118.10	121.13
Benefits paid	(78.90)	(72.86)
Return on plan assets , excluding amount recognised in net interest expense	5.19	1.08
Fair value of plan assets as at the end of the year	**1,366.16**	**1,235.92**
Reconciliation of present value of obligation and the fair value of the plan assets		
Closing defined benefit obligation	1,291.09	1,243.51
Closing fair value of plan assets	1,366.16	1,235.92
Net liability (recognized) / reversed for the year	**75.07**	**(7.58)**

b. Expenses recognised in the profit and loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current and past service cost	127.43	128.20
Interest cost (net)	0.52	6.22
Expenses recognised in the income statement	**127.95**	**134.42**

c. Other comprehensive income

₹ in lakhs

Particulars	For the year ended	
	31 March 2023	31 March 2022
Actuarial (gains) / losses	(87.31)	(102.71)
Return on plan assets, excluding amount recognised in net interest expense	(5.19)	(1.08)
Components of defined benefit costs recognised in other comprehensive income	**(92.51)**	**(103.79)**

d. Principal actuarial assumptions:

Particulars	For the year ended	
	31 March 2023	31 March 2022
Discount factor	7.40%	6.95%
Expected rate of salary increase	8.00%	8.00%
Attrition rate	8.00%	8.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

e. Experience adjustments:

₹ in lakhs

Particulars	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
Defined benefit obligation	1,291.09	1,243.51	1,213.84	1,132.00	809.29
Plan assets	1,366.16	1,235.92	1,115.77	808.24	741.83
Surplus/(deficit)	**75.07**	**(7.58)**	**(98.07)**	**(323.75)**	**(67.46)**
Experience adjustments on plan liabilities-loss/(gain)	(87.31)	(102.71)	(77.00)	182.54	194.37
Experience adjustments on plan assets-loss/(gain)	(5.19)	(1.08)	(8.06)	5.27	(7.32)

f. The Company expects to contribute ₹ 136.62 lakhs (31 March 2022: ₹ 134.77 lakhs) to its gratuity plan for the next year.

g. In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to date mortality tables, the base being the Indian assured lives mortality (2012-14).

h. Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

i. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

j. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

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

₹ in lakhs

Particulars	31 March 2023	31 March 2022
Defined benefit obligation (base)	1,291.09	1,243.51

Particulars	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	1,397.52	1,197.46	1,353.48	1,147.40
(% change compared to base due to sensitivity)	8.20%	-7.30%	8.80%	-7.70%
Salary growth rate (- / + 1%)	1,199.84	1,392.48	1,149.75	1,347.34
(% change compared to base due to sensitivity)	-7.10%	7.90%	-7.50%	8.40%
Attrition rate (- / + 50% of attrition rates)	1,312.74	1,275.97	1,281.52	1,217.85
(% change compared to base due to sensitivity)	1.70%	-1.20%	3.10%	-2.10%
Mortality rate (- / + 10% of mortality rates)	1,291.17	1,290.99	1,243.68	1,243.33
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of plan assets (as percentage of total plan assets)

Particulars	31 March 2023	31 March 2022
Fund managed by LIC	100.00%	100.00%

Asset liability matching strategies

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy. The trust has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of the funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which could result in increase in liability without corresponding increase in the assets).

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows) is 8 years

₹ in lakhs

Expected cash flows over the next (valued on undiscounted basis)	31 March 2023	31 March 2022
1 year	127.16	103.88
2 to 5 years	520.46	476.51
6 to 10 years	619.10	567.33
More than 10 years	1,328.46	1,343.28

C. Compensated leave absences (unfunded)

- Liability recognized in the balance sheet **₹ in lakhs**

Particulars	For the year ended	
	31 March 2023	31 March 2022
Present value of obligation		
Present value of obligation as at the beginning of the year	455.30	425.53
Current service cost	106.97	112.42
Interest cost	31.62	26.99
Actuarial (gain) / loss on obligation	1.95	(16.50)
Benefits paid	(88.53)	(93.14)
Present value of obligation as at the end of the year	**507.31**	**455.30**
Net liability recognized in the balance sheet	**507.31**	**455.30**

- Expenses recognised in the profit & loss account **₹ in lakhs**

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current service cost	106.97	112.42
Interest cost	31.62	26.99
Actuarial (gain) / loss on obligation	1.95	(16.50)
Expenses recognised in the income statement	**140.54**	**122.90**

- Principal actuarial assumptions

Particulars	For the year ended	
	31 March 2023	31 March 2022
Discount factor	7.40%	6.95%
Salary increase	8.00%	8.00%
Attrition rate	8.00%	8.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

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37 **Contingent liabilities:**

₹ in lakhs

	Particulars	31 March 2023	31 March 2022
A	Disputed claims/levies (excluding interest and penalties if any), in respect of		
	i) Income tax matters, pending decisions on various appeals made by the company	10,486.20	9,485.17
	ii) Service tax	1,238.99	1,238.99
	iii) Excise duty	706.38	706.38
	iv) Transport cess	3,294.68	3,294.68
	v) Electricity tax	-	3,069.02
	vi) MSME Creditors	425.61	425.61
	vii) Renewable Power	5,140.27	3,652.77
	viii) Others	276.09	402.04

B. Forest development tax/fee:

In 2008, the State of Karnataka levied Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT before Karnataka High Court by various stakeholders (including BMM Ispat Limited) were filed to which the Hon'ble High Court of Karnataka has granted partial relief by a judgement dated 3 December, 2015. The High Court vide its judgment has directed refund of the entire amount of FDT collected by State Government on sale of iron ores by private lease operators and NMDC. The State Government has filed an appeal before the Supreme Court of India. The Hon'ble Court has not granted stay on the operation of the judgment but only stayed refund of FDT. The matter is yet to be heard by the Hon'ble Supreme Court of India. The company has discharged said levy and treated the levy as cost of procurement and included in purchase price.

The State of Karnataka on 27 July, 2016, has amended Section 98-A of the Forest Act retrospectively and substituted the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the company, the Hon'ble High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the Hon'ble Supreme Court of India and the same is currently pending. Based on merits of the case and supported by a legal opinion, the company has not recognised provision for FDF of ₹ 34,002.69 lakhs as at 31 March 2023 (including paid under protest and disclosed as receivable ₹ 1,298.22 lakhs) and treated it as a contingent liability.

38 **Commitments**

₹ in lakhs

	Particulars	31 March 2023	31 March 2022
A	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	44,009.92	28,857.80

The above commitment also includes ₹ 829.62 lakhs towards Rehabilitation and settlement of Gunda Station Village Residents as on 31st March 2023.

Other commitments:

The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to:

₹ in lakhs

Particulars	31 March 2023	31 March 2022
Export promotion capital goods scheme	24,301.43	12,706.98

The company is also involved in other lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business, however, there are no such matters pending that the company expects to be material in relation to its business.

39 The company has given counter guarantees to banks towards guarantees issued by them on behalf of the company: ₹ 690.74 lakhs (31 March 2022: ₹ 230.74 lakhs)

40 Based on the information available with the Company, Principal amount due to micro and small enterprises as defined under MSMED Act, 2006 is ₹ 3,105.13 lakhs (31 March 2022: ₹ 1,663.47 lakhs). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is ₹ Nil (31 March 2022: ₹ Nil).

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₹ in lakhs

S No	Particulars	31 March 2023	31 March 2022
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3,105.13	1,663.47
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
G	Further interest remaining due and payable for earlier years	-	-

41 (1) During the FY 2019-20, the company had entered into a binding strategic investment agreement with M/s. JSW Projects Limited ("Investor") pursuant to which the investor was desirous of investing ₹ 50,000.00 lakhs by way of subscription to the securities to be issued by the company. Subsequently, the company entered into an amendment agreement to the strategic investment agreement referred to above on 22 October 2020 with the investor, pursuant to which the company has allotted the following securities on 27 October 2020 to:

a. Investor

- 10,12,85,330 equity shares of ₹ 10 each amounting to ₹ 10,128.53 lakhs.
- 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each amounting to ₹ 23,853.09 lakhs.
- 16,01,83,717 Series A-Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each amounting to ₹ 16,018.37 lakhs.

b. Mr. Dinesh Kumar Singhi and Mrs. Snehalatha Singhi ("promoters")

- 20,02,49,805 and 4,81,16,473 Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively for the total amounting to ₹ 24,836.63 lakhs in lieu of outstanding loan amounts due by the company.

Further, On 16 December 2020, upon satisfactory completion of conditions referred to in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.

Post issuance of the above securities, the investor owns 58.47% & promoters own 41.53% equity in the company.

Further, after the completion of 48 months from the date of allotment of securities to the investor, the promoters have a right to buy investor's share of equity between 48-60 months. However, if the promoters do not exercise the said right then the investor has the right to buy promoters share of equity between 60-72 months.

(2) On 27 October 2020, the company received an amount of ₹ 5,000.00 lakhs from the investor as subordinate loan and the same is repaid on 26 Novemner 2021.

(3) On 02 November 2020, the company allotted 7,250 Non-Convertible Debentures of ₹ 10,00,000 each issued at a discount of 1% amounting to ₹ 71,775. 00 lakhs to M/s. J.P. Morgan Securities Asia Private Limited. The company has redeemed the debentures in full on 26 November 2021.

(4) All the above proceeds including internal accruals were utilized for one time settlement of loans (incl. working capital loans) availed from Edelweises Asset Reconstruction Company (EARC) and Adithya Birla Asset Reconstruction Company (ABARC). Accordingly, the company paid ₹ 1,29,789.00 lakhs to EARC and ₹ 20,669.00 lakhs to ABARC towards full and final settlement of their respective loans.

Post the above settlements, the balance loan outstanding in the books to EARC and ABARC amounting to ₹ 2,54,176.95 lakhs and an amount of ₹ 3.87 lakhs due to the promoters, has been written back and treated as an exceptional income in the statement of profit and loss for the year ended 31 March 2021.

Segment reporting:

42 The company is in the business of manufacturing iron and steel products having similar economic characteristics, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

a) **Revenue from operations**

₹ in lakhs

Particulars	31 March 2023	31 March 2022
Domestic	3,64,466.18	3,78,913.43
Export	-	-
Total	**3,64,466.18**	**3,78,913.43**

Revenue from operations have been allocated on the basis of location of customers.

b) **Non-Current Assets**

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

c) **Customers contributing more than 10% of Revenue** ₹ in lakhs

Particulars	31 March 2023	31 March 2022
Group*		
JSW Steel Limited	-	39,984.86
Bhushan Power and Steel Limited	-	15,170.46
Other than Group		
Sugna Metals Limited	43,202.18	-
Total	**43,202.18**	**55,155.31**

*Group dose not constitute more than 10% of revenue for FY 2022-23

43 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act.

₹ in lakhs

a.

Particulars	31 March 2023	31 March 2022
(i) amount required to be spent by the company during the year	1,623.19	902.92
(ii) amount of expenditure incurred	820.76	623.72
(iii) shortfall provided at the end of the year	802.43	279.20
(iv) total of previous years shortfall provided	172.48	-
(v) reason for shortfall	Refer 'c' below	
(vi) nature of CSR activities	Health & Nutrition, Improving Education; Water, Environment & Sanitation; Rural Development projects, Skill Enhancement & livelihood, Promotion of rural sports and Art & Culture.	
(vii) details of related party transactions, e.g., contribution to a trust (JSW Foundation) controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	674.32	583.57
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Refer 'd' below	

b. **Amount earmarked for on-going projects:** ₹ in lakhs

Particulars	31 March 2023			31 March 2022		
	With company	in separate CSR Unspent A/c	Total	With company	in separate CSR Unspent A/c	Total
Opening Balance	**279.20**	-	**279.20**	-	-	-
Amount required to spent at the end of the year	802.43	-	**802.43**	279.20	-	279.20
Transfer to separate Unspent CSR A/c	(279.20)	279.20	-	-	-	-
Income earned on Unspent CSR amount	-	10.43	**10.43**	-	-	-
Amount spent during the year	-	(117.15)	**(117.15)**	-	-	-
Closing Balance	**802.43**	**172.48**	**974.91**	**279.20**	-	**279.20**

c. The unspent amount on ongoing projects as at 31 March 2023 aggregating to ₹ 802.43 lakhs (31 March 2022 ₹ 279.20 lakhs) was deposited in separate CSR unspent account within the timeline stipulated as per the Companies Act, 2013.

d. **Details of movement in provisions in FY 2022-23:** ₹ in lakhs

Opening Provision	Spent during the year	Income earned on Unspent CSR amount	Current year provision	Closing provision
279.20	117.15	10.43	802.43	974.91

44 **Related party disclosures as per Ind AS 24:**

SL No.	Description of relationship	Names of related parties
A.	Holding company	JSW Projects Limited
B.	Enterprise over which KMP and relative of such KMP exercise significant influence.	Ranjitpura Infrastructure Private Limited
C.	Other related parties	JSW Steel Limited JSW Cement Limited Ennore Coal Terminal Private Limited South West Mining Limited Everbest Consultancy Services Private Limited JSW Foundation Adarsh Advisory Services Private Limited Bhushan Power & Steel Limited JSW Shipping & Logistics Private Limited GSI Lucchini S.P.A JSW Ispat Special Products Limited Mangalore Coal Terminal Private Limited JSW Minerals Trading Pvt Limited JSW Energy Limited South West Port Limited JSW Techno Projects Private Limited JSW International Tradecorp Pte Limited JSW Infrastructure Limited
D.	Key Management Personnel (KMP)	
	Non-Executive Director	1. Mr. Dinesh Kumar Singhi. 2. Mr.Pawan kedia (w.e.f 4 May 2021)
	Whole Time Director, CEO & Chairman	1. Mr. Vimal Singh
	Executive Director & CFO	1. Mr. V.V.V Raju
	Whole Time Director	1. Mr. Rajendra Moondra
	Independent Directors	1. Mr. Krishna Desika 2. Mrs. Rakhi Jain
	Company Secretary	1. Ms. Swetha S
E.	Post-employment benefits entities	1. BMM Ispat Limited Employees Group Gratuity Assurance Scheme

I. Transactions with related parties ₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Sale of goods								
JSW Steel Limited	-	-	-	-	34,460.35	46,100.97	34,460.35	46,100.97
Bhushan Power & Steel Limited	-	-	-	-	602.59	17,159.69	602.59	17,159.69
JSW Cement Limited	-	-	-	-	-	60.50	-	60.50
Other income(Dispatch money received)								
JSW International Tradecorp Pte Limited	-	-	-	-	5.24	-	5.24	-
Recovery of expenses								
JSW Steel Limited	-	-	-	-	2.00	-	2.00	-
Sale of Capital Assets								
Ranjitpura Infrastructure Private Limited	-	-	-	135.84	-	-	-	135.84
Purchase of goods/services								
JSW Steel Limited	-	-	-	-	17,451.32	13,985.92	17,451.32	13,985.92
JSW Cement Limited	-	-	-	-	546.91	186.44	546.91	186.44
South West Port Limited	-	-	-	-	119.49	-	119.49	-
JSW International Tradecorp Pte Limited	-	-	-	-	10,299.67	-	10,299.67	-
Ennore Coal Terminal Private Limited	-	-	-	-	2,010.58	472.27	2,010.58	472.27
South West Mining Limited	-	-	-	-	-	50.53	-	50.53
GSI Lucchini S.P.A	-	-	-	-	-	845.21	-	845.21
Everbest Consultancy Services Private Limited	-	-	-	-	32.74	29.32	32.74	29.32
Mr. Dinesh Kumar Singhi	-	-	-	-	78.71	79.36	78.71	79.36
JSW Ispat Special Products Limited	-	-	-	-	2,124.86	-	2,124.86	-
JSW Minerals Trading Private Limited	-	-	-	-	12,900.40	-	12,900.40	-
JSW Infrastructure Limited	-	-	-	-	207.80	-	207.80	-
JSW Energy Limited	-	-	-	-	701.25	-	701.25	-
Mangalore Coal Terminal Private Limited	-	-	-	-	368.83	-	368.83	-
Reimbursement of expenses								
Mr. Dinesh Kumar Singhi	-	-	-	-	0.20	-	0.20	-

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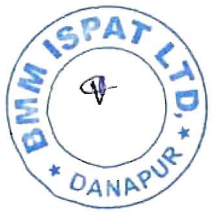
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CSR Expenses								
JSW Foundation	-	-	-	-	796.17	583.57	796.17	583.57
Interest income								
South West Mining Limited	-	-	-	-	323.75	910.34	323.75	910.34
Everbest Consultancy Services Private Limited	-	-	-	-	760.00	572.82	760.00	572.82
Adarsh Advisory Services Private Limited	-	-	-	-	1,187.50	867.34	1,187.50	867.34
JSW Shipping & Logistics Private Limited	-	-	-	-	-	74.17	-	74.17
Ranjitpura Infrastructure Private Limited	-	-	98.25	-	-	-	98.25	-
Interest expense								
JSW Projects Limited	-	487.43	-	-	-	-	-	487.43
Loans repaid								
JSW Projects Limited	-	5,000.00	-	-	-	-	-	5,000.00
Loans given to								-
South West Mining Limited	-	-	-	-	-	22,500.00	-	22,500.00
Adarsh Advisory Services Private Limited	-	-	-	-	-	8,500.00	-	8,500.00
JSW Shipping & Logistics Private Limited	-	-	-	-	-	2,800.00	-	2,800.00
Ranjitpura Infrastructure Private Limited	-	-	1,500.00	-	-	-	1,500.00	-
Loans given to and repaid during the year								
South West Mining Limited	-	-	-	-	-	22,000.00	-	22,000.00
JSW Shipping & Logistics Private Limited	-	-	-	-	-	2,800.00	-	2,800.00
Total Amount	**-**	**5,487.43**	**1,598.25**	**135.84**	**84,980.36**	**1,40,578.44**	**86,578.61**	**1,46,201.71**









II. Amount due to / from related parties

₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Trade payables								
JSW Cement Limited	-	-	-	-	24.53	-	24.53	-
Everbest Consultancy Services Private Limited	-	-	-	-	1.95	-	1.95	-
Mangalore Coal Terminal Private Limited	-	-	-	-	0.02	-	0.02	-
Creditor for expenses								
Mr. Dinesh Kumar Singhi	-	-	-	-	6.00	6.00	6.00	6.00
Revenue advances								
JSW Steel Limited	-	-	-	-	508.02	99.19	508.02	99.19
Everbest Consultancy Services Private Limited	-	-	-	-	-	0.06	-	0.06
Trade receivables								
JSW Steel Limited	-	-	-	-	4,766.86	4,362.04	4,766.86	4,362.04
Bhushan Power and Steel Limited	-	-	-	-	-	4,031.04	-	4,031.04
JSW Cement Limited	-	-	-	-	-	12.13	-	12.13
Loan and advances given								
South West Mining Limited	-	-	-	-	3,500.00	3,500.00	3,500.00	3,500.00
Everbest Consultancy Services Private Limited	-	-	-	-	8,000.00	8,000.00	8,000.00	8,000.00
Adarsh Advisory Services Private Limited	-	-	-	-	12,500.00	12,500.00	12,500.00	12,500.00
Ranjitpura Infrastructure Private limited	-	-	1,500.00	-	-	-	1,500.00	-
Interest receivable								
Everbest Consultancy Services Private Limited	-	-	-	-	168.66	226.75	168.66	226.75
Adarsh Advisory Services Private Limited	-	-	-	-	263.53	354.30	263.53	354.30
Ranjitpura Infrastructure Private limited	-	-	88.43	-	-	-	88.43	-
Rental deposit								
Mr. Dinesh Kumar Singhi	-	-	-	-	40.00	40.00	40.00	40.00

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III. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (BMM Ispat Limited employees group gratuity assurance scheme). During the year, the company contributed ₹ 118.10 lakhs (31 March 2022: ₹ 121.13 lakhs). The fair value of plan assets as at 31 March 2023 is ₹ 1,366.15 lakhs (31 March 2022: ₹ 1,235.92 lakhs).

IV. Compensation to key management personnel

₹ in lakhs

Particulars	**31 March 2023**	**31 March 2022**
Short-term employee benefits	328.67	295.39
Total compensation to key managerial personnel	**328.67**	**295.39**

Notes:

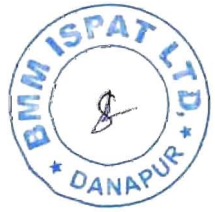
1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

2. The Independent Non-Executive Directors along with one Non-Executive Director are paid remuneration by way of sitting fees. The sitting fees payable to the Directors are based on the number of meetings of the Board, its Committees attended by them as Member or as Invitee. The Company pays sitting fees at the rate of ₹ 0.50 lakhs for each meeting of the Board, ₹ 0.20 lakhs for each meeting of the Board's Committees and ₹ 0.20 lakhs for Independent Non-Executive Director for attending the Independent Directors' meeting. The Company paid an amount of ₹ 16.30 lakhs as on 31 March 2023 (31 March 2022: ₹ 14.00 lakhs), which is not included above









45 The following are the analytical ratios for the year ended 31 March 2023 and 31 March 2022.

S NO	Particulars	Numarator	Demonimator	31 March 2023	31 March 2022	Variance	Variance (%)	Reasons for Variance
(a)	Current Ratio	Current Assets	Current Liabilities	2.42	3.43	(1.00)	-29%	(a)
(b)	Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.18	0.16	0.01	9%	
(c)	Debt service coverage ratio	Earnings available for Debt Service	Debt Serivce	2.28	4.48	(2.21)	-49%	(b)
(d)	Return on Equity Ratio	Net Profit after Taxes	Shareholder's Equity	4%	18%	-14%	-77%	(b)
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	8.49	7.20	1.29	18%	
(f)	Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	48.17	42.13	6.04	14%	
(g)	Trade payables turnover ratio	Purchases	Average Trade Payables	31.23	26.66	4.57	17%	
(h)	Net Capital turnover ratio	Revenue	Working Capital	5.22	4.92	0.30	6%	
(i)	Net Profit Ratio	Net Profit after tax	Revenue from operations	3.35%	13.34%	-10%	-75%	(b)
(j)	Return on Capital Employed	Earning Before Interest and Taxes	Captail Employed	6.48%	24.17%	-18%	-73%	(b)
(k)	Return on Investments	Not Applicable*						

* The company does not have any investments during the year / previous year

(a)	During the FY 2022-23, the company has imported coal by establishing LC towards suppliers by utilizing working capital limits of ₹ 10,278.62 lakhs as against the limits of ₹15,000 lakhs
(b)	During the FY 2022-23, due to Russia and Ukraine war, the prices of basic raw materials such as Coal (different variants), Scrap & Pig iron have gone up abnormally and the increased cost could not be passed on to customers, hence the margins are very low as compared to previous FY 2021-22.

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS

BMM ISPAT LTD. DANAPUR

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46 The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

47 Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

48 Other statutory information:

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

v) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

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

vii) Quarterly returns filed by the Company with banks are in agreement with the books of accounts..

viii) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

ix) The Company does not have any transactions with companies which are struck off.

SHAH GUPTA & CO. MUMBAI FRN 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD. DANAPUR

For and on behalf of the Board of Directors

V.V.V. RAJU	**VIMAL SINGH**	**SWETHA S**
Exe. Director & CFO	Whole Time Director & CEO	Company Secretary
DIN: 07303177	DIN: 08059827	M. No:F11494
Place: Danapura	Place: Danapura	Place: Danapura
Date: 26-05-2023	Date: 26-05-2023	Date: 26-05-2023

Notes to financial statements for the year ended 31 March 2023

1. Corporate Information

BMM Ispat Limited (formerly known as B.M.M. Ispat Limited) ("the company") is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The company is in the business of manufacturing and selling of steel & allied products and generation of power. The Company has its registered office and manufacturing facilities located at 114 Danapura Village, Hospete Taluk, Vijayanagara (formerly known as Ballari) District of Karnataka, India.

2. Significant Accounting Policies

a. Statement of compliance

These Financial Statements have been prepared in accordance with the accounting policies generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under 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) and presentation requirement of Division II of Schedule III of the Companies Act 2013.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 26 May 2023.

b. Basis of preparation and presentation of financial statements

The Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial instruments measured at fair values at the end of each reporting period, as stated in the accounting policies

set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Fair value is the price that would be received to sell an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. 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

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described below. The fair value hierarchy gives the highest priority to quoted prices

in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement dates;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. Current / Non – current Classification

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

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services

and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. Summary of significant accounting policies

I. Revenue recognition

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

Revenue from sale of by products are included in revenue.

The Company recognises revenue generally at the point in time when the products are delivered to customer which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

a. Contract assets including trade receivables

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.

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

b. Contract Liabilities

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

c. Refund liabilities

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

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

II. Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment, except freehold/leasehold land, held for use in the production, supply or administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

PPE value lessthan ₹ 0.05 lakhs charges to profit & loss account.

The cost of an item of property, plant and equipment comprises of its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these 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 derecognised when replaced. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Capital work in progress and Capital advances:

Cost of asset not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress and is carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current assets.

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation

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

Class of assets	Years
Plant and Machinery of Rolling Mill	20 Years
Plant and Machinery of Oxygen plant	25 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 01 April 2019 and all leases are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The company reviews residual values, useful life and depreciation method annually and, if expectations differ previous estimate, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss. Fully depreciated assets still in use are retained in financial statements.

III. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Expenditure on development is also charged to the Statement of Profit and Loss unless the technical feasibility has been established, in which case such expenditure is capitalized. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

For transition to Ind AS, the Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

Amortization:

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

Class of assets	Years
Computer Software	03 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from

previous estimates, such change is accounted for as a change in an accounting estimate on a prospective basis.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

IV. Borrowing Costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

V. Government grants and subsidies

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

VI. Foreign Currency Translation

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

Initial Recognition:

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

Measurement of foreign currency items at reporting date:

At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured at fair

value in a foreign currency, are retranslated at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are not retranslated.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

VII. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably

certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

VIII. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, assets that are subject to depreciation and amortization are reviewed for impairment, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset

is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss and included in depreciation and amortization expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

IX. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and

actions required to complete such sale indicate that it is unlikely that significant change to the plan to sell will be made or that the decision to sell will be withdrawn. Further, the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortized.

X. Inventories

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

Cost of raw materials includes all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the raw materials to their present location and condition.

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

Costs of inventories are determined on FIFO basis. Net realisable value represents the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

XI. Investment in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

XII. Income taxes

Tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax:

Current tax is measured at the amount of tax expected to be payable on the taxable profit for the year as determined in accordance with the tax rates that have been enacted by the end of reporting period and the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is recognised using the Balance Sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized outside profit or loss, in which case, the current and deferred tax income/expense are recognized either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

XIII. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIV. Employee benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

The company operates two defined benefit plans for its employees, viz., Gratuity and leave benefits. The Company contributes to Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India towards meeting the Gratuity obligation. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary, payable for each completed year of service or part thereof subject to the maximum of ₹ 20.00 lakhs and vesting occurs upon completion of five years of service.

Recognition and measurement of Defined Benefit plans:

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of

the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- net interest expense or income and
- re-measurement.

The company presents the first two components of defined benefit costs in the statement of profit or loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for a past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other Long Term Employee benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

XV. Events after reporting date

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

XVI. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVII. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash and cheques in hand, bank balances, and short-term deposits with banks where the original maturity is three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVIII. Segment reporting

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

XIX. 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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Initial measurement

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

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

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

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

A) Financial Assets:

Recognition:

i. The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

ii. The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

Subsequent measurement

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

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

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

i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 Statement of Profit and Loss, 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 Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets:

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

i. The contractual rights to cash flows from the financial asset expires;
ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more

recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over

the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed by taking into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

B) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw

materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognized as deferred payment liabilities.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

C) **Derivative financial instruments and Hedge accounting**

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and

as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition:

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

D) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

3. Key sources of estimation uncertainty and critical accounting judgments

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Key sources of estimation uncertainty

a. Useful lives of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

c. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits are probable.

d. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

e. Income Taxes

In accordance with IND AS 12 Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f. Allowance for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use

of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g. Allowance for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that no allowance for obsolete and slow-moving inventories need to be made in the financial statements.

ii) **Recent accounting pronouncements:**

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

a. Ind AS 1 – Presentation of Financial Statements – The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

b. Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

c. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of

"accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is in the process of evaluating the impact of these amendments.









BMM ISPAT LIMITED

Formerly known as B.M.M. Ispat Limited
(CIN: U13100KA2002PLC030365)

22ND ANNUAL REPORT

FY: 2023-24

CONTENTS

Annual Report - FY 2023-24

Particulars	Page No.
Corporate Information	**1**
Directors' Report & Annexure thereof	**2 to 32**
Independent Auditors' Report on Financial Statements	**33 to 43**
Balance Sheet	**44**
Statement of Profit & Loss Account	**45**
Statement of Changes in Equity	**46**
Statement of Cash Flow	**47 to 49**
Notes to Financial Statements	**50 to 123**

CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Dinesh Kumar Singhi - Director
- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mr. Pawan Kumar Kedia - Director
- Mr. Krishna Deshika - Independent Director
- Dr. Rakhi Jain - Independent Director

KEY MANAGERIAL PERSONNEL

- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mrs. Swetha S - Company Secretary

STATUTORY AUDITORS

M/s Shah Gupta & Co.,
Chartered Accountants, Mumbai
(Firm Registration No. 109574W)

INTERNAL AUDITORS

Mr. Mallipudi Ome Venkata Sai Pavan Kumar
Chartered Accountant
(Memb. No.: 240906)

SECRETARIAL AUDITORS

M/s JKS & Co,
Company Secretaries, Bengaluru
(Firm Unique Code No.: P2015KR040800)

COST AUDITORS

M/s GNV & Associates, Cost & Management Accountants, Bengaluru (Firm Registration No.: 000150)

REGISTER & SHARE TRANSFER AGENT

M/s BgSE Financials Limited,
Stock Exchange Towers,
No.51, 1st Cross, JC Road,
Bengaluru, Karnataka – 560027,
Tele No. 080-41329661;
Email Id: rta_admin@bfsl.co.in.

BANKERS: ICICI Bank Limited

REGISTERED OFFICE & PLANT LOCATION

114, Danapura Village, Hobli
Mariyamanahalli Hosapete Taluq
Vijayanagara (Formerly known as Ballari)
District, Karnataka-583222

CORPORATE OFFICE

No.101, 1st Floor, Pride Elite
No.10, Museum Road
Bengaluru, Karnataka-560001

Directors' Report

To,

The Members,
BMM Ispat Limited

The Board of Directors present the Twenty-Second (22nd) Annual Report together with the Audited Financial Statements based on Indian Accounting Standards (Ind AS), for the year ended 31st March, 2024.

Financial Performance & Highlights of Operations

The performance of the Company as reflected by its Audited Accounts for the Financial Year ended 31st March, 2024 is summarized below:

₹ in lakhs

Particulars	As on 31st March, 2024	As on 31st March, 2023
Revenue from operations	2,87,661.90	3,64,466.19
Other Income	3,895.64	4,436.74
Profit / (Loss) before Depreciation, Finance Costs and Tax Expense	27,386.08	32,340.21
Less: Depreciation & Amortization	10,884.86	10,995.05
Profit / (Loss) before Finance Costs, and Tax Expense	16,501.22	21,345.16
Less: Finance Cost	3,674.40	4,380.53
Profit / (Loss) Before Tax Expense	12,826.82	16,964.63
Less: Tax Expense *(Deferred Tax)*	3,723.37	4,756.02
Profit / (Loss) for the year (1)	9,103.45	12,208.61
Total Comprehensive Income/(Loss) (2)	(14.49)	68.88
Total (1+2)	9,088.96	12,277.48
Balance of profit/(loss) for earlier years	1,83,024.51	1,70,747.02
Balance carried forward	1,92,113.47	1,83,024.51

Key highlights of performance – FY 2023-24

- Total Income for the current financial year is ₹ 2,91,557.54 lakhs as against ₹ 3,68,902.93 lakhs of previous year, declined by 20.97%.
- EBITDA for the current financial year is ₹ 27,386.08 lakhs as against ₹ 32,340.21 lakhs of previous year, declined by 15.32%
- Profit Before Tax for the current financial year is ₹ 12,826.82 lakhs as against ₹ 16,964.63 lakhs of previous year, declined by 24.39%
- Profit After Tax for the current financial year is ₹ 9,103.45 lakhs as against ₹ 12,208.61 lakhs of previous year, declined by 25.43%
- During the year under review,
  - Beneficiated ore production was 20,79,538 MT (Metric Tonnes) compared to 23,66,263 MT in the previous year, down by 12.12 %;
  - Pellet production was 18,18,929 MT compared to 21,36,715 MT in the previous year, down by 14.87 %;
  - Sponge iron production was 6,84,342 MT compared to 6,73,643 MT in the previous year, up by 1.59 %;
  - Billet production was 1,26,123 MT against 1,34,096 MT in the previous year, down by 5.95%
  - TMT production from Rolling Mill was 97,721 MT compared to 97,062 MT in the previous year, up by 0.68 %;
  - Power generation during the year was 408 MU (Million Units) against 425 MU in previous year, down by 4.00%.

Dividend

The Board of Directors of the Company has not recommended any dividend for the year under review.

Reserves

The Board of Directors has decided to retain the entire amount of profits of the year. Hence, during the year, no amount has been transferred or proposed to be transferred into any reserve account.

State of affairs of the Company

With a strategic focus on improving the viability of Steel Melting Shop (SMS) and Merchant Bar Mill, the Company has initiated the 0.88 MTPA Blast Furnace project. The total CAPEX for the project including the cost of commission of the other existing non-operating units is ₹ 1,20,000 lakhs, which is funded by a mix of debt and internal accruals. As on 31st March, 2024, the total amount spent toward the above projects is ₹ 81,522.03 lakhs.

The commencement of Blast Furnace shall result in improving the viability of Steel Melting Shop (SMS) and Merchant Bar Mill and increases the revenue and overall profitability of the Company.

Status of 0.88 MTPA Blast Furnace project

Currently, the project is in final stage of completion and is in the process of cold trials. The full-fledged operations of the Blast Furnace and other existing units are expected during June-July, 2024.

Awards

The Company has obtained following awards:

1. Award for "Zero Product (TMT) failure since last 3 years" in the category of 'Consistency in TMT Quality production' at the Celebration of 77th BIS foundation day at Hubli (Karnataka) that was organised by Bureau of Indian Standards, during January, 2024.
2. "Pollution Control Leadership" award obtained in the category of 'Pollution Control and Waste Management and Recycling (PCWR)' at the event 'Greentech PCWR' held at Radisson Blu, Guwahati (Assam) which was organised by GreenTech foundation, during April, 2024.

General Information

During the financial year, the Company continued experiencing the contraction phase of the business cycle, caused due to non-availability of raw material and also the downfall in the selling prices of the products. However, better opportunities and returns are foreseeing in future.

The Company is serving at its best to meet the stakeholders' requirements. The Company has also set-up quality standards to satisfy its customers' requirements and prompt attempts are given to resolve customers' grievances, if any, with an intention to resolve them as soon as feasible.

The Company's orientation is also on environment protection and sustainability. The Company has a Captive Power Plant set-up to generate power from waste heat gases generated in Sponge Iron Plant with an intention of reuse energy prudently and to reduce the emission of waste gases into the environment.

Details of Holding/Subsidiary/Associate Companies/Joint Ventures:

The Company did not have any Subsidiary Company/Associate Company/Joint Venture during the financial year and till the date of this report. Thus, the preparation of consolidated financial statements are not applicable for the financial year under review.

The Company is a subsidiary of JSW Projects Limited, which holds 58.47% in the equity share capital of the Company.

Material changes and commitments, affecting the financial position of the company since the end of the Year and till the date of the report:

There are no material changes and commitments, affecting the financial position of the Company, that have occurred since the end of the Year and till the date of the report.

Change in the nature of business

There were no changes in the nature of business of the Company during the period under review.

Share Capital and Debt Structure

The Authorised Share Capital of the Company as on 31st March, 2024 is ₹ 30,000 lakhs comprising of 30,00,00,000 equity shares of ₹ 10 each. During the financial year there was no change in Authorised Share capital.

The issued, subscribed and paid-up equity share capital of the Company as on 31st March, 2024 is ₹ 25,709.87 lakhs, comprising of 25,70,98,746 equity shares of ₹10 each. During the financial year there was no change in issued, subscribed and Paid-up Share capital.

Details of Debenture as on 31st March, 2024:

Particulars	No. of Debentures as on 1st April, 2023	No. of Debentures issued during the year	No. of Debentures redeemed during the year	No. of Debentures as on 31st March, 2024
Series A Fully and Compulsorily Convertible Debentures of ₹10 each	23,85,30,953	---	---	23,85,30,953
Series B Fully and Compulsorily Convertible Debentures of ₹10 each	24,83,66,278	---	---	24,83,66,278
Series C Fully and Compulsorily Convertible Debentures of ₹10 each	11,11,43,410	---	---	11,11,43,410

Apart from the above, the Company has not issued any other securities nor has issued any shares with differential voting rights nor granted stock options nor sweat equity nor issued bonus shares or warrants or bonds nor converted any securities. There were no shares held in trust for the benefit of employees,

where the voting right are not exercised directly by the employees. The Company has not bought back any of its securities during the period under review.

Investor Education and Protection Fund (IEPF)

No amount/shares were required to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year, under review.

Deposits

The Company has not accepted any deposits within the meaning of Section 73 to Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. There was no loan taken from the Directors, during the financial year.

Particulars of loans, guarantees or investments under Section 186

There were no new loans given during the year. However, the Company has given unsecured loans to the following Company under the provisions of Section 186 of Companies Act, 2013 and the outstanding amount as on 31st March, 2024 is provided below:*

(₹ in lakhs)

Name of the Borrower	Principal amount	Accrued interest	Total outstanding as on 31st March, 2024
Capiqal Consultancy Services Private Limited (Formerly known as Laxmipati Management Services Private Limited)	1,100.00	424.65	1,524.65

* Kindly refer note No. 7 to the notes to Financial Statements.

No guarantees or securities, as specified under Section 186 of the Companies Act, 2013, were provided by the Company, during the financial year under review.

The Company has not made investments in any securities during the year under review.

Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, nature of its business and complexity of its operations. Internal Financial Controls are adequate with reference to the Financial Statements and are operating effectively. Internal Auditor of the Company reports to the Audit Committee. The Internal Auditor and the Audit Committee are responsible for monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the evaluation and the reports submitted by the Internal Auditor, corrective actions in the respective areas are taken, thereby

strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

Risk Management

The Company has laid down a well-defined risk management mechanism to mitigate the risks and has also adopted a policy in this regard in line with the requirement of the Companies Act, 2013. The said policy inter-alia covers identification and access to the key risk areas and monitors the areas in order to take corrective measure at appropriate time. The overall objective is to improve awareness of the Company's risk exposure and appropriately manage it.

Vigil Mechanism

The Vigil (Whistle Blower) Mechanism intends to provide a platform to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy.

The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail the mechanism and also provide for direct access to the Chairman of the Board/ the Chairman of the Audit Committee, in exceptional cases.

The Policy on Vigil Mechanism may be accessed on the Company's website at the link: http://bmm.in/media-center/corporate-governance/

Related Party Transactions

The details of transactions, arrangements, and contracts entered into by the Company under Section 188(1) of the Companies Act, 2013 during the financial year under review are disclosed in Form AOC-2, which is annexed as **Annexure II** to this report.

The disclosure of transactions with related parties that took place during the financial year, as per Ind AS-24 are given in Notes to financial statements (Note no. 44 attached to the financial statements as at 31st March, 2024).

Corporate Social Responsibility Initiatives

The provision of Section 135 of the Companies Act, 2013 are applicable to the Company for the financial year. The Annual Report on CSR activities is annexed herewith as **Annexure I**.

Directors and Key Managerial Personnel

The Board of Directors of the Company as on 31st March, 2024:

i. Mr. Dinesh Kumar Singhi -Director (DIN: 00208064)
ii. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
iii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iv. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
v. Mr. Pawan Kumar Kedia – Director (DIN: 00020570)
vi. Mr. Krishna Deshika - Independent Director (DIN: 00019307)
vii. Dr. Rakhi Jain - Independent Director (DIN: 07138042)

Key Managerial Personnel of the Company as on 31st March, 2024:

i. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
ii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iii. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
iv. Mrs. Swetha S - Company Secretary (Memb. No.: F11494)

In terms of provision of Section 152(6) of the Companies Act, 2013 Mr. Vimal Singh, Whole Time Director (DIN: 08059827) and Mr. VVV Raju, Executive Director (DIN: 07303177) are liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment.

During the financial year, considering the recommendation of the Nomination and Remuneration Committee and subject to shareholders approval, the Board of Directors in their meeting held on 5th September, 2023 has re-appointed Mr. Rajendra Moondra, Whole Time Director (DIN: 08936206) for further period of 3 years w.e.f 1st February, 2024. Thereafter, the Shareholders in their 2/2023-24 Extra-ordinary General Meeting held on 27th October, 2023 has re-appointed Mr. Rajendra Moondra, as Whole Time Director for 3 years w.e.f 1st February, 2024.

In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, both the Independent Directors of the Company have enrolled themselves on the Independent Directors Databank. Mr. Krishna Deshika and Dr. Rakhi Jain are exempt from self-assessment test under the aforesaid Rules. Independent Directors of the Company are the persons of high integrity, expertise and experience, and qualify to be Independent Director.

As per the provisions of Section 149 read with the Rules made thereunder, the Company has Dr. Rakhi Jain, as Women Director on the Board.

Policy on Directors' Appointment and Remuneration

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

The current policy is to have a balanced mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. There was no change made to the policies during the financial year.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under Sub-Section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

The policy on Directors' appointment and remuneration is available at the Company's web link http://bmm.in/media-center/corporate-governance/

Declaration by Independent Directors

Both the Independent Directors have submitted their disclosure to the Board stating that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify themselves to be Independent Directors under the provisions of the Companies Act, 2013 and the rules made thereunder.

The Independent Directors have complied with the code for Independent Directors, prescribed under Schedule IV of the Act.

Code of Conduct

The Board of Directors has approved the code of conduct of the Board Members, Key Managerial Personnel & Senior Management Personnel. The code lays down the standard procedure of business conduct which is expected to be followed. All the Board Members, Key Managerial Personnel and Senior Management have complied with the code. All the staff were given appropriate training in this regard.

Board Evaluation

The Company has formulated a Policy for performance evaluation of Independent Directors, the Board, the Committees thereunder and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

In terms of the policy and pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the Directors (including the Independent Directors), individually, as well as evaluation of the working of its Audit, Corporate Social Responsibility and Nomination & Remuneration Committees. The evaluation process is derived from various factors including attendance and time spent in the Board and the Committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings. Annual performance evaluation is done through Evaluation forms containing various parameters to evaluate

the performance of the Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and each Director (all the Executive and Non-Executive Directors).

Further, the performance evaluation of the Non- Independent Directors, the Board as a whole and Chairman of the Company was carried out by the Independent Directors, independently.

Meetings

During the year, the following meetings were duly held:

Sl. No	Seven (7) Board Meetings	Six (6) Audit Committee Meetings	Two (2) Nomination & Remuneration Committee Meetings	Three (3) Corporate Social Responsibility Committee Meetings	One (1) Independent Director Meeting	One (1) Finance Committee Meetings
1	28.04.2023	28.04.2023	28.04.2023	26.05.2023	20.03.2024	23.12.2023
2	26.05.2023	26.05.2023	05.09.2023	23.01.2024		
3	27.07.2023	27.07.2023		20.03.2024		
4	05.09.2023	27.10.2023				
5	27.10.2023	23.01.2024				
6	23.01.2024	20.03.2024				
7	20.03.2024					

Audit Committee

As on 31st March, 2024 the Audit Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Rajendra Moondra (Whole Time Director) - Member.

There were no changes in the composition of the Audit Committee during the year.

Nomination & Remuneration Committee

As on 31st March, 2024 the Nomination and Remuneration Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Pawan Kumar Kedia (Director) - Member
d) Mr. Vimal Singh (Whole Time Director & CEO) - Member.

There were no changes in the composition of the Nomination & Remuneration Committee during the year.

Corporate Social Responsibility Committee

As on 31st March, 2024, the Corporate Social Responsibility Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO) - Chairman of the Committee
b) Mr. Rajendra Moondra (Whole Time Director) - Member
c) Mr. Krishna Deshika (Independent Director) - Member.

There were no changes in the composition of the Corporate Social Responsibility Committee during the year.

Finance Committee

As on 31st March, 2024, the Finance Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO) - Chairman of the Committee
b) Mr. Dinesh Kumar Singhi (Non-Executive Director) - Member
c) Mr. VVV Raju (Executive Director & CFO) - Member
d) Mr. Rajendra Moondra (Executive Director) - Member.

There were no changes in the composition of the Finance Committee during the year.

Prevention of sexual harassment at workplaces

The Company has zero-tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

Further, the Company has duly constituted Internal Complaint Committee as required under the abovementioned Act and Rules made thereunder. For the financial year 2023-24, no case of sexual harassment was pending at the beginning, no case was received or disposed-off during the year nor was pending at the closure of the financial year.

Auditors and Auditor's Report
Statutory Auditor

Shareholders of the Company at 20th Annual General Meeting held on 29th July, 2022 have appointed M/s Shah Gupta & Co., Chartered Accountants, Mumbai (Firm Registration No.: 109574W) as Statutory

Auditors of the Company to hold the office from the conclusion of the 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting to be held in the Financial Year 2027-28.

Auditor's Reports

The notes on financial statements referred to in the relevant Auditor's Reports are self-explanatory and do not call for any further comments. The Auditor's report does not contain any qualification, reservation or adverse remark. No frauds have been reported by the Auditors under Section 143 (12) of the Companies Act, 2013, requiring disclosure in the Board's Report.

Cost Auditor

The Board, on the recommendation of Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru (Firm Registration No.: 000150), to conduct the Cost Audit of the Company for Financial Year 2023-24 in their meeting held on 28th April, 2023 and their remuneration for the period has been approved by the shareholders in 21st Annual General Meeting held on 27th July, 2023.

The Board, on the recommendation of the Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru, to conduct the Cost Audit of the Company for Financial Year 2024-25 in their meeting held on 28th May, 2024 on remuneration of ₹1.50 lakhs plus applicable taxes and reimbursement of actual travel and out of pocket expenses. The remuneration is subject to the ratification of the Shareholders in terms of Section 148 of Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and is accordingly placed for your ratification.

Cost Records

The Cost Records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are applicable to the Company. Accordingly, such accounts and records are made and maintained during the year.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s JKS & Co., a firm of Company Secretaries in practice from Bengaluru (Firm Unique Code No: P2015KR0800), to undertake the Secretarial Audit of the Company. The Secretarial Auditor's report is attached as **Annexure V**. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board, at its meeting held on 28th May, 2024 has appointed M/s JKS & Co., Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2024-25.

Compliance with applicable Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards/amendments, if any, notified by the Institute of Company Secretaries of India, from time to time.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure III**.

Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at http://bmm.in/media-center/corporate-governance/

Revision of Financial Statements

The Company has not revised its financial statements or the Report in respect of any of the three preceding financial years, either voluntarily or in pursuant to any order of a judicial authority.

Particulars of employees and related disclosures

In terms of Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in this Report as **Annexure IV**.

Particulars of remuneration received by Managing Director and Whole Time Director from Holding and Subsidiary Company

No remuneration or commission has been received by Whole Time Director(s) of the Company from the Company's Holding Company or Subsidiary Company. However, the Company does not have Managing Director.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

However, Members' attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the Financial Statements as at 31st March, 2024, vide Note no. 37 & 38.

Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016

During the year under review, there were no applications filed against the Company nor were any applications pending under the provision of the Insolvency and Bankruptcy Code, 2016.

Directors' Responsibility Statement

Pursuant to the requirements under Section 134, Sub-Section 3(c) and Sub-Section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

(a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Government authorities, Lenders, Banks, Vendors, Customers and Shareholders during the period under review. Directors also wish to place on record their deep sense of appreciation for the services rendered by all the employees of the Company.

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2024

VVV Raju	Vimal Singh
(Executive Director & CFO)	(Whole Time Director & CEO)
DIN: 07303177	DIN: 08059827

THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2024

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company:

BMM believes in the philosophy that CSR is an integral part of the organisation and all CSR practices and programs are being comprehensively integrated with the business operations and processes of the organisation.

CSR Vision

CSR is an important culture for BMM that integrates social, environmental and ethical responsibilities into governance of businesses to ensure the long term success, competitiveness and sustainability.

CSR Mission

CSR is an endeavour to bring about an overall positive impact on the communities, cultures, societies and environment wherever BMM operates. BMM believes in the growth, which is combination of achievements, business expansion and commitment to the society.

CSR Activities

The focus areas where Community Development programmes would be taken-up are:

i. Eradicating hunger, poverty and malnutrition
ii. Promoting Health care including Preventive Health care and Sanitation
iii. Ensuring environmental sustainability and ecological balance
iv. Employment and livelihood enhancing vocational skills and projects
v. Promoting education
vi. Promoting gender equality and empowering women
vii. Rural Development Projects and slum area development
viii. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts
ix. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows
x. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

xi. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women

xii. Disaster management, including relief, rehabilitation and reconstruction activities.

xiii. Such other activities as the Board may consider to be appropriate in accordance with the provisions of schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	**Name of Director**	**Designation / Nature of Directorship**	**Number of meetings of CSR Committee held during the year**	**Number of meetings of CSR Committee attended during the year**
1.	Mr. Vimal Singh	Whole Time Director & CEO (Chairman of the Committee)	3	3
2.	Mr. Rajendra Moondra	Whole Time Director (Member of CSR Committee)	3	3
3.	Mr. Krishna Deshika	Independent Director (Member of CSR Committee)	3	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **http://bmm.in/media-center/corporate-governance/**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. ***NOT APPLICABLE***

5. (a) Average net profit of the Company as per Sub-Section(5) of Section 135: **₹ 94,393.94 lakhs**
(b) Two percent of average net profit of the Company as per Sub-Section (5) of Section 135: **₹ 1,887.88 lakhs**
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **₹ 52.814 lakhs arisen during FY 2023-24. (₹ 9.484 lakhs is pertaining to interest earned on the amounts deposited in 'Unspent CSR account for the FY 2021-22' and ₹43.330 lakhs is pertaining to interest earned on the amounts deposited in 'Unspent CSR account for the FY 2022-23', which shall be spent towards CSR ongoing project of FY 2021-22 and FY 2022-23, respective).**

(d) Amount required to be set-off for the financial year, if any: **NIL**

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 1,887.88 lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 1,341.37 lakhs**

(b) Amount spent in Administrative Overheads: **₹ 74.34 lakhs**

(c) Amount spent on Impact Assessment, if applicable: **Nil**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 1,415.72 lakhs**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakhs)	**Amount Unspent (₹ in lakhs)**				
	Total Amount transferred to Unspent CSR Account as per Sub-Section (6) of Section 135		**Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135.**		
	Amount.	**Date of transfer.**	**Name of the Fund**	**Amount.**	**Date of transfer.**
1,415.71	472.16	26th April, 2024	Nil	Nil	Nil

(f) Excess amount for set-off, if any: Nil

Sl. No.	**Particular**	**Amount (₹ in lakhs)**
(i)	Two percent of average net profit of the company as per Sub-Section (5) of Section 135	--
(ii)	Total amount spent for the Financial Year	--
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	--

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub-Section (6) of section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under Sub-Section (6) of Section 135 (₹ in lakhs)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of Transfer		
1	FY- 1 (2020-21)	NA	NA	NA	NA	NA	NA	NA
2	FY- 2 (2021-22)	279.20 (initially amount of FY 2021-22, transferred on 26.04.2022)	181.96*	80.15	NA	NA	101.81*	NA
3	FY- 3 (2022-23)	802.43 (initially amount of FY 2022-23, transferred on 25.04.2023)	845.77**	247.17	NA	NA	598.58*	NA

* includes ₹ 9.48 Lakhs pertaining to surplus (interest earned) on amounts deposited in 'Unspent CSR account for the FY 2021-22' earned during FY 2023-24.

** includes ₹ 43.33 Lakhs pertaining to surplus (interest earned) on amounts deposited in 'Unspent CSR account for the FY 2022-23' earned during FY 2023-24.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

[ ] Yes [✓] No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NIL**

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount Spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Sub-Section (5) of Section 135. **Not applicable.**

VVV Raju Executive Director & CFO DIN: 07303177 Place: Danapura Date: 28.05.2024	Vimal Singh Chairman of CSR Committee DIN: 08059827 Place: Danapura Date: 28.05.2024

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contracts or arrangements or transactions not at arm's length basis: NIL

Sl. No	Particulars
(a)	Name(s) of the related party and nature of relationship :
(b)	Nature of contracts/arrangements/transactions:
(c)	Duration of the contracts/arrangements/transactions:
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:
(e)	Justification for entering into such contracts or arrangements or transactions:
(f)	Date(s) of approval by the Board:
(g)	Amount paid as advances, if any:
(h)	Date on which the ordinary resolution was passed in general meeting as required under first proviso to Section 188:

Details of contracts or arrangements or transactions at arm's length basis

1)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Ranjitpura Infrastructure Private Limited Related party under Section 2(76)(iv) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to purchase beneficiated iron ore fines
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2023 to 31st March 2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- 89,372 MT of beneficiated iron ore fines purchased for an aggregate amount of ₹ 5,796.93 lakhs (including GST) - Payment terms- 100% advance
(e)	Date of approval by the Audit	Audit Committee Approval: 31st March 2023

	Committee and/or the Board:	Board approval: Not applicable as the transactions are at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 5,796.93 lakhs (including taxes)

2)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Ranjitpura Infrastructure Private Limited Related party under Section 2(76)(iv) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to purchase scrap
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2023 to 31st March 2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- 242 MT of scrap (MS scrap) for an aggregate amount of ₹ 103.67 lakhs (including GST) - Payment terms- 100% advance
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 31st March 2023 Board approval: Not applicable as the transactions are at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 103.67 lakhs (including taxes)

3)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Bharat Mines & Minerals Related party under Section 2(76)(iii) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to avail service rake loading of iron ore
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2023 to 31st March 2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- Material handling charges of ₹ 143.34 lakhs (including taxes) paid towards rake loading of iron ore of 1,42,909 MT. - Payment terms- 100% advance
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 31st March 2023 Board approval: Not applicable as the transaction is at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 143.34 lakhs (including taxes)

4)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Ranjitpura Infrastructure Private Limited Related party under Section 2(76)(iv) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to sell dismantled DRI Pre heater kiln's equipment and spares.
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2023 to 31st March 2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- Old & used Support Roller (1 No.); Base Frame For Support Roller (1 No.); Gear Rim (1 No.); Pre-Heater Thrust Roller Assembly (1 No.); Inlet & Outlet Carraige Assembly (1 No.); Gear Box Pe50 (1 No.); Pre-Heater Kiln Shells (1 No.) and Tyre (1 No.) for an aggregate amount of ₹ 57.34 lakhs (including taxes) - Payment terms- 100% advance
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 28th April, 2023 Board approval: 28th April, 2023 (The transaction is at Arm's length. But is not in ordinary course of business.)
(f)	Amount paid as advances, if any:	₹ 57.34 lakhs (including taxes)

5)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	Mr. Dinesh Kumar Singhi Related party under Section 2(76)(i) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Rental Agreement
(c)	Duration of the contracts/arrangements/transactions:	For 11 months with effect from 1st December, 2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- To take on rent, carpet area of 3,281 sq. ft. of premises at 1st Floor of a multi-storied building located at No.101, 1st Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001 and carpet are of 1,380 Sq. Ft. locate at No.401, 4th Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001 along with the 392 Sq. Ft. of car parking area in the basement of the said premises. Hence, 5053 Sq. Ft. - At monthly rent of ₹ 120/- per Sq. Ft. plus

		applicable taxes
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 27th October, 2023 Board approval: Not applicable as the transaction is at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	Rental Security Deposit: ₹ 40 lakhs (Interest free)

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2024

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. ENERGY CONSERVATION

The Company is continually improving its operational performance in all areas, like yield, plant utilization, minimizing waste and its utilization etc.,. Conscious efforts are put to reduce the consumption of fuel, power across all energy consuming facilities. The Energy management function implements best practices in order to plan and implement some of the relevant best practices to enhance energy efficiency in operations.

i. Steps taken for Energy conservation:

Pellet Plant-

1. Pellet Plant 1 & 2:

a) Achieved Annual Electrical Energy Saving of 515 MWH (Mega Watt Hour) by diverting Kiln & TG (Travelling Grate) hot water directly to cooling towers.

b) Achieved Electrical Energy Saving of 100 MWH by rerouting of coal Tar Discharge line & return line eliminates the Tar heaters.

c) Achieved Electrical Energy Saving of 79 MWH by Installation of VFD (Variable Frequency Drive) for Kiln roots blowers.

Sponge Iron Plant:

2. Achieved Annual Electrical Energy Saving of 91 MWH by loading Dolochar bunker by bypass conveyors

LED implementation

3. Achieved Annual Electrical Energy Saving of 293 MWH by replacing HPSV (High Pressure Sodium Vapour) fitting with LED (Light Emitting Diodes) fittings of different ratings (Total 1727 fitting replaced)

ii. Steps taken for utilizing alternate sources of energy :

1. Pellet Plant 1& 2:

Anthracite coal has been replaced by Bag filter dust resulted in thermal energy savings of 9.12 Mkcal (Million Kilo Calories)/ Annum & cost savings of ₹ 1075 lakhs.

iii. The capital investment on energy conservation equipment: Nil

B. TECHNOLOGY ABSORPTION -

i. **Major efforts made towards technology absorption-** Nil

ii. **The benefits derived like product improvement, cost reduction, product development or import substitution.**- Nil

iii. **Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)**

Details of Technology Imported	Technology Import from	Year of Import	Status Implementation / Absorption	Areas where absorption of Imported technology has not taken place, if any
Iron ore Slurry Pressure Filter-VPA – 3 & 4	China	FY 2020-21	Commissioned	Fully Absorbed

iv. **Expenditure on Research &Development, if any**

Sl. No	Particulars	Amount (₹ in lakhs)
a.	Capital	--
b.	Revenue	--
	Total	--

C. FOREIGN EXCHANGE EARNINGS/ OUTGO

Amount (₹ in lakhs)

Particulars	FY 2023-24	FY 2022-23
Earnings	--	--
Outgo	44,460.87	18,926.20

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2024

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

Annexure IV to Directors' Report

Statement Showing Particulars of Employees Pursuant to the Provisions of Section 197(12) of the Companies Act, 2013 Read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2024:

Sl. No	Name	Designation	Gross Remuneration received (₹ in lakhs)	Qualification	Total Experience, in years	Date of Employment	Age	Last Employer & Designation held	Nature of employment
1	Mr. Vimal Singh	Whole Time Director & Chief Executive Office	114.09 p.a	B.E (Mech.)	29 Years	27/10/2020	54 Years	Lead the team for integrated Steel Plant's Commissioning and Stabilization at JSW Ispat Special product Limited (currently merged with JSW Steel Limited)	Contractual
2	Mr. VVV Raju	Executive Director & Chief Financial Officer	171.27 p.a	Chartered Accountant and Cost Accountant	26 Years	15/10/2009	54 Years	Worked as Deputy General Manager (Accounts) with M/s Kalyani Gerdau Steels Ltd., Tadipatri	Contractual

Notes:

a. Gross Remuneration includes basic salary, allowance, provident fund and perquisites (wherever applicable)

b. All the employees have adequate experience to discharge the responsibility assigned to them.

c. There are no employees or directors, mentioned in above table, who holds more than 2% of the paid-up capital of the Company.

d. There are no employees of the Company who are relatives of any Director of the Company and are drawing remuneration.

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2024

VVV Raju	Vimal Singh
(Executive Director & CFO)	(Whole Time Director & CEO)
DIN: 07303177	DIN: 08059827

JKS & Co.
Company Secretaries
Regd. Office: E-003, Victoria Haven, Patel Ram Reddy Road, Domlur 1st Stage,
Bangalore – 560 071
Email: info@jksandco.in
Ph. 080 – 4110 2408

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

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

To,

The Members,

BMM Ispat Limited
114, DANAPUR VILLAGE, HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT, KARNATAKA
INDIA - 583222

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BMM Ispat Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and provided either as hard copies or scanned copies by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31/03/2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31/03/2024** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable to the Company);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (applicable only to the extent of Rule 9A of the companies [Prospectus and Allotment of Securities] Rules2014);

JKS & Co. Bengaluru Company Secretaries

Branches:
1. Unit No. 305, 3rd Floor, # 50, Huligadri Renaissance Landmark, 10th Main, 17th Cross, Malleswaram, Bangalore – 560 055. Ph. : 080 2344 3844
2. No.56, Ground Floor, 4th Cross, 2nd Sector, "NOBO" Nagar, Bannerghatta Road, Bangalore – 560 076. Ph. 080 2643 0093

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (There were no FDI, ODI or ECB transactions during the period under review);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Not applicable to the Company);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company):

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company);

(vi) Other laws applicable to the company as per the representations made by the company.

As informed to us, the other laws and the corresponding rules thereof, specifically applicable to the Company are as under:

1. The Manufacture, Storage and import of Hazardous Chemical Rules, 1989
2. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
3. The Indian Boilers Act, 1923 and rules/regulations made thereunder Indian Boiler Act / Karnataka Boiler Rules
4. The Factories Act,1948 and applicable rules made thereunder
5. The Electricity Act, 2003 and Indian Electricity Rules, 1956
6. The Environment Protection Act, 1986
7. The Water (Prevention & Control of Pollution) Act, 1974
8. The Air (Prevention & Control of Pollution) Act, 1981
9. Mines and Minerals (Development & Regulation) Act,1957 and the rules made thereunder
10. Atomic Energy Act and rules made thereunder

We have also examined compliance with the applicable clauses of the following:

(i) Notified Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s),

if applicable (Not applicable to the Company);

Based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, in our opinion, adequate systems and processes and the control mechanism exist in the Company to monitor and ensure compliance and during the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc., mentioned above.

We further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws and applicable labour laws, by the Company has not been reviewed in detail in this Audit and the same has been subject to specific audits.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and are captured and recorded in the minutes, while there were no dissenting views from members.

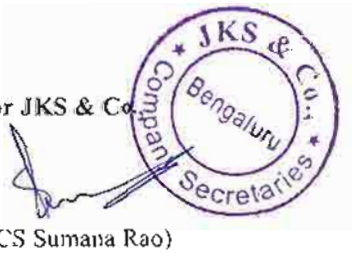
Based on the Compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has addressed/replied to notices issued under Specific Acts, wherever applicable.

We further report that during the audit period there were no specific events/Actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with letter of even date which is annexed as Annexure A and forms an integral part of this report

Place: Bengaluru
Date: 26th May, 2024
UDIN: F005548F000451851

For JKS & Co.



(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert. No. 1143/2021
Firm Unique Code No: P2015KR0800

JKS & Co.
Company Secretaries
Regd. Office: E-003, Victoria Haven, Patel Ram Reddy Road, Domlur 1st Stage,
Bangalore – 560 071
Email: info@jksandco.in
Ph. 080 – 4110 2408

Annexure A

To,

The Members

B.M.M. Ispat Limited
114, DANAPUR VILLAGE,
HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT,
KARNATAKA
INDIA – 583222

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

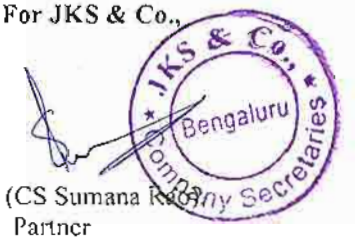
Branches:
1. Unit No. 305, 3rd Floor, # 50, Huligadri Renaissance Landmark, 10th Main, 17th Cross, Malleswaram, Bangalore – 560 055. Ph. : 080 2344 3844
2. No.56, Ground Floor, 4th Cross, 2nd Sector, "NOBO" Nagar, Bannerghatta Road, Bangalore – 560 076. Ph. 080 2643 0093

JKS & Co. Bengaluru Company Secretaries

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Place: Bengaluru
Date: 26th May, 2024
UDIN: UDIN: F005548F000451851

For JKS & Co.,



(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert. No. 1143/2021
Firm Unique Code No: P2015KR0800

Shah Gupta & Co.
Chartered Accountants

38, Bombay Mutual Building,
2nd Floor, Dr. D N Road, Fort,
Mumbai – 400 001

Tel: + 91(22) 2262 3000
+ 91(22) 4085 1000
Email: contact@shahgupta.com
Web: www.shahgupta.com

INDEPENDENT AUDITORS' REPORT

To the Members of BMM ISPAT Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BMM ISPAT Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 the 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, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is no key audit matter to communicate in our report.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 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, total comprehensive income, 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 statements 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is 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.

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 clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section (3) of Section 143 of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   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 is disqualified as on March 31, 2024 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, with reference to these financial statements refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:
      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under sub-section (16) of Section 197 which are required to be commented upon by us; and
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at March 31, 2024 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; and

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

iv. Based on such audit procedures considered reasonable and appropriate in the circumstances,

a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

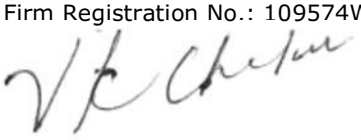
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the financial year.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on April 01, 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and same has been operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W





Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 24037606BKBOSJ2873

Place: Mumbai
Date: May 28, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2024:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, 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 Note 4A to the financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder. Consequently, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. Quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets, in our opinion are in agreement with the unaudited books of account of the Company. The Company has not been sanctioned any working capital facility from financial institutions.

iii. During the year, the Company has granted unsecured loans to other parties, details of which are reported below and the Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnership during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

(a) (A) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable to the Company.

(B) Based on audit procedures carried on by us and as per the information & explanations given to us, the Company has granted unsecured loans to other parties as below:

(Rs. in lakhs)

Sr. No.	Loans (unsecured)	to other parties
(1)	Aggregate amount granted during the year	6.00
(2)	Balance outstanding as at balance sheet date	5.11

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the unsecured loans granted during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of overdue amount for more than ninety days in respect of loans is given below.

(Rs. in lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
1	1,100.00	424.65	1,524.65	As informed, reasonable steps have been taken by the Company to recover the overdue amount.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, following instances of loans falling due during the year were extended:

(Rs. in lakhs)

Sr. No.	Name of the party	Aggregate amount of overdues of existing loans extended	% of aggregate to the total loans granted during the year
1	Ranjitpura Infrastructure Private Limited	1,500.00	25000%

Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not made any investments or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in relation to loans given by the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records

have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees' State Insurance, Income-Tax, Cess, Goods and Service Tax, Value Added Tax, Excise Duty, Custom Duty and other material statutory dues which have not been deposited as at March 31, 2024 on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	**Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	83.76	AY 2012-13	Commissioner of Income Tax Appeals, Bangalore
		4,628.11	AY 2016-17	
		58.93	AY 2017-18	
		998.85	AY 2021-22	
		738.80	AY 2022-23	
The Customs Act, 1962	Customs Duty	331.30	FY 2012-13	Larger Bench CESTAT, Chennai
		0.86	FY 2012-13	
		1,264.16	FY 2012-13	High Court of Mumbai
Chapter V of the Finance Act, 1994	Service Tax	1,188.99	FY 2010-11 & FY 2011-12	Customs, Excise & Service Tax Appellate Tribunal, Bengaluru
The Central Excise Act, 1944	Excise Duty	651.87	FY 2008-09 & FY 2015-16	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
	Excise Duty	1.53	FY 2015-16	Commissioner of Central Tax (A), Belgaum.
Goa Rural Improvement and welfare Cess Act, 2000	Environment Cess	264.21	FY 2009-10	High Court of Bombay at Goa
		1,981.53	FY 2009-10, FY 2011-12 & FY 2014-17	
		1,048.94	FY 2014-18	
The Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013	Goa Green Cess	72.22	FY 2019-20 FY 2020-21 FY 2021-22	Hon'ble Supreme Court
** These amounts are net of amount paid/ adjusted under protest Rs. 2,136.62 lakhs.				

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the 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 a 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 given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Consequently, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and seven CIC's which are not required to be registered with the Reserve Bank of India, forming part of the promoter group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

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

xviii There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3(xviii) of the Order is not applicable to the Company.

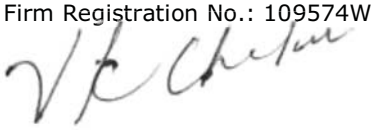
xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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. (a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the previous financial year, to a Special account within a period of 30 days from the end of said financial year in compliance with the provisions of sub-section (6) of section 135 of the Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W





Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 24037606BKBOSJ2873

Place: Mumbai
Date: May 28, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")
(The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion
We have audited the internal financial controls over financial reporting with reference to financial statements of **BMM ISPAT 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.

In our opinion, to the best our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013 ("the Act").

Auditor's Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

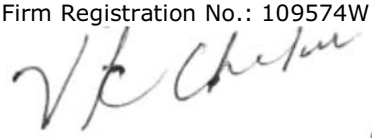
Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting with reference to these 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W





Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 24037606BKBOSJ2873

Place: Mumbai
Date: May 28, 2024

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

BALANCE SHEET AS AT 31 MARCH 2024

₹ in lakhs

		Particulars	Notes	As at 31 March 2024	As at 31 March 2023
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, plant and equipment	4A	1,95,142.03	2,01,695.41
		(b) Capital work-in-progress	4B	92,283.10	24,581.35
		(c) Right-of-use assets	5	14,770.33	13,492.68
		(d) Other intangible assets	6	586.73	46.56
		(e) Financial assets			
		(i) Loans	7	2.00	-
		(ii) Other financial assets	8	397.99	711.76
		(f) Income tax assets (net)	10	4,128.49	3,297.11
		(g) Other non-current assets	11	3,219.56	6,227.56
		Total non-current assets		**3,10,530.23**	**2,50,052.43**
	2	**Current assets**			
		(a) Inventories	12	59,431.88	32,077.64
		(b) Financial assets			
		(i) Trade receivables	13	7,371.00	5,283.49
		(ii) Cash and cash equivalents	14	4,935.47	6,797.83
		(iii) Bank balances other than (ii) above	14	1,040.98	35,978.72
		(iv) Loans	7	1,527.76	26,889.97
		(v) Other financial assets	8	2,423.21	4,214.09
		(c) Other current assets	11	9,591.36	7,592.11
		Total current assets		**86,321.66**	**1,18,833.85**
		Total assets		**3,96,851.89**	**3,68,886.28**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity share capital	15	25,709.87	25,709.87
		(b) Other equity	16	2,71,165.26	2,62,076.30
		Total equity		**2,96,875.12**	**2,87,786.17**
		Liabilities			
	2	**Non-current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	17	28,220.95	30,523.02
		(ii) Lease liabilities	5	23.70	50.82
		(b) Provisions	18	543.66	448.00
		(c) Deferred tax liabilities (net)	9	4,783.57	1,065.06
		Total non-current Liabilities		**33,571.87**	**32,086.90**
	3	**Current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	19	21,607.97	20,159.51
		(ii) Lease liabilities	5	58.58	114.45
		(iii) Trade payables			
		(A) Total outstanding dues of micro and small enterprises	20	3,654.00	3,105.13
		(B) Total outstanding dues of creditors other than micro and small enterprises		15,537.86	7,744.66
		(iv) Other financial liabilities	21	13,407.79	5,331.57
		(b) Provisions	18	80.04	59.31
		(c) Other current liabilities	22	12,058.66	12,498.58
		Total current liabilities		**66,404.90**	**49,013.21**
		Total liabilities		**99,976.77**	**81,100.11**
		Total equity and liabilities		**3,96,851.89**	**3,68,886.28**

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606
Place: Mumbai
Date: 28-05-2024

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177
Place: Danapura
Date: 28-05-2024

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827
Place: Danapura
Date: 28-05-2024

SWETHA S
Company Secretary
M. No:F11494
Place: Danapura
Date: 28-05-2024

BMM ISPAT LTD. DANAPUR

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

₹ in lakhs, except per share data and as stated otherwise

		Notes	31 March 2024	31 March 2023
I	Revenue from operations	23	2,87,661.90	3,64,466.19
II	Other income	24	3,895.64	4,436.74
III	**Total income (I+II)**		**2,91,557.54**	**3,68,902.93**
IV	**Expenses**			
	Cost of material consumed	25	2,43,584.52	2,87,181.47
	Changes in inventories of finished goods, stock in trade and work in progress	26	(22,979.38)	8,370.27
	Employee benefits expense	27	8,105.75	6,328.18
	Finance costs	28	3,674.40	4,380.53
	Depreciation and amortization expense	29	10,884.86	10,995.05
	Other expenses	30	35,460.57	34,682.80
	Total expenses		**2,78,730.72**	**3,51,938.30**
V	**Profit before tax (III-IV)**		**12,826.82**	**16,964.63**
VI	**Tax expense**			
	Current tax		-	-
	Deferred tax	9	3,723.37	4,756.02
	Total tax expense		**3,723.37**	**4,756.02**
VII	**Profit for the year (V-VI)**		**9,103.45**	**12,208.61**
VIII	**Other comprehensive income**			
	A. (i) Items that will not be reclassified to profit or loss :			
	a. Re-measurements of the defined benefit plans		(19.36)	92.05
	(ii) Income tax relating to items that will not be reclassified to profit or loss		4.87	(23.17)
	Total other comprehensive income (net of taxes)		**(14.49)**	**68.88**
IX	**Total comprehensive income for the year (VII+VIII)**		**9,088.96**	**12,277.48**
X	**Earnings per equity share of ₹ 10 each**	31		
	a. Basic (in ₹)		3.54	4.75
	b. Diluted (in ₹)		1.06	1.43

See accompanying notes to the financial statements

In terms of our report attached
For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2024

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 28-05-2024

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2024

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 28-05-2024

BMM ISPAT LTD. DANAPUR

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

₹ in lakhs

Particulars	Equity share capital	Other equity				Total other equity	Total equity
		Reserves and surplus		Equity component of compulsory convertible debenture	Other comprehensive income/(loss) (OCI)		
		Securities premium account	Retained earnings		Equity instruments at fair value through OCI		
Opening balance as at 01 April 2022	**25,709.87**	**19,586.08**	**1,70,747.04**	**59,804.06**	**(338.36)**	**2,49,798.80**	**2,75,508.68**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2022	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-		-	-	-	-
Profit for the year	-	-	12,208.61	-	-	12,208.61	12,208.61
Other comprehensive income, net of taxes	-	-	68.88	-	-	68.88	68.88
Closing balance as at 31 March 2023	**25,709.87**	**19,586.08**	**1,83,024.53**	**59,804.06**	**(338.36)**	**2,62,076.30**	**2,87,786.16**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2023	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-		-	-	-	-
Profit for the year	-	-	9,103.45	-	-	9,103.45	9,103.45
Other comprehensive income, net of taxes	-	-	(14.49)	-	-	(14.49)	(14.49)
Closing balance as at 31 March 2024	**25,709.87**	**19,586.08**	**1,92,113.49**	**59,804.06**	**(338.36)**	**2,71,165.26**	**2,96,875.12**

See accompanying notes to the financial statements
In terms of our report attached

For and on behalf of the Board of Directors

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2024

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 28-05-2024

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2024

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 28-05-2024

BMM ISPAT LTD. * DANAPUR *

BMM ISPAT LIMITED

(Formerly known as B.M.M. ISPAT LIMITED)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

₹ in lakhs

	31 March 2024	31 March 2023
A Cash flow from operating activities:		
Profit before tax	12,826.82	16,964.63
Adjustments for:		
Depreciation and amortization expense	10,884.86	10,995.05
Amortization of discount and transaction cost	119.11	156.92
(Profit)/loss on sale of property, plant & equipment	87.48	150.72
Finance costs	3,555.29	4,223.61
Interest Income	(3,224.93)	(3,674.51)
Operating profit before working capital changes	**24,248.63**	**28,816.42**
Movement in working capital:*		
Increase in trade payables	8,342.07	3,100.85
Increase in provisions	97.02	136.48
Increase in other financial liabilities	7,926.88	2,050.24
Increase / (Decrease) in lease liabilities	(82.99)	165.27
Increase / (Decrease) in other current liabilities	(679.90)	1,101.68
Decrease/(Increase) in trade receivables	(2,087.51)	4,565.37
Decrease/(Increase) in inventories	(27,354.22)	5,447.31
Decrease/(Increase) in loans	(5.11)	1.60
(Increase) in other financial assets	2,104.64	(1,716.78)
Decrease in other non-financial assets	177.38	2,135.81
Cash generated from operations	**12,686.89**	**45,804.25**
Income taxes paid (net of refunds)	-	-
Net cash generated from operating activities (A)	**12,686.89**	**45,804.25**
B Cash flow from investing activities:		
Purchase of property, plant & equipment, intangible assets, and capital work-in progress	(73,945.51)	(30,364.77)
Proceeds from sale of property, plant & equipment	6.97	(62.52)
(Investment) / Withdrawals in term deposits	34,937.74	(25,638.57)
Loans given during the year	(134.68)	(1,698.00)
Loans repaid during the year	25,500.00	-
Interest received	3,224.93	3,674.51
Net cash used in investing activities (B)	**(10,410.53)**	**(54,089.33)**
C Cash flow from financing activities:		
Proceeds from long-term borrowings	7,616.77	5,646.39
Repayment of long-term borrowings	(10,000.00)	(10,000.00)
Proceeds from short-term borrowings (Net)	1,410.50	10,278.62
Interest paid and loan processing charges	(3,165.96)	(3,642.07)
Net cash generated/(used in) financing activities (C)	**(4,138.69)**	**2,282.95**









D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,862.35)	(6,002.14)
Cash and cash equivalents at the beginning of the year	6,797.83	12,799.97
Cash and cash equivalents at the end of the year	4,935.47	6,797.83
*includes current and non-current		

Components of cash and cash equivalents:

₹ in lakhs

	31 March 2024	31 March 2023
Cash in hand	2.14	1.74
Drafts on hand	-	5.10
With banks		
- in current account	1,733.33	1,865.06
- in Deposits with original maturity for less than or equal to 3 months	3,200.00	4,925.93
Total cash and cash equivalents (Note 14)	**4,935.47**	**6,797.83**

Reconciliations part of cash flows

₹ in lakhs

Particulars	01 April 2023	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2024
Borrowings (including current maturities of long term borrowings).	40,403.92	(2,554.31)	171.08	-	119.11	38,139.80
Lease liabilities (including current maturities)	165.27	(121.51)	-	38.52	-	82.28
Borrowings current (excluding current maturities of long term borrowings).	10,278.62	1,366.33	44.17	-	-	11,689.12

* Amortisation of loan processing fees

₹ in lakhs

Particulars	01 April 2022	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2023
Borrowings (including current maturities of long term borrowings).	44,600.60	(4,439.82)	86.21	-	156.92	40,403.92
Lease liabilities (including current maturities)	-	-	-	165.27	-	165.27
Borrowings current (excluding current maturities of long term borrowings).	-	10,273.25	5.38	-	-	10,278.62

* Amortisation of loan processing fees

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Notes:

1 The above cash flow statement has been prepared by using the Indirect Method as per the Indian Accounting Standard (Ind AS) 7 - " Statement of Cash Flows".

See accompanying notes to the financial statements

This is the cash flow statement referred to in our report of even date.

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2024

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Daanapura
Date: 28-05-2024

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2024

SWETHA S
Company Secretary
M. No:F11494

Place: Daanapura
Date: 28-05-2024

BMM ISPAT LTD. DANAPUR

BMM Ispat Limited
(Formerly known as B.M.M. ISPAT LIMITED)
Notes to the financial statements for the year ended 31 March 2024
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2023	412.47	80,975.00	3,64,332.88	380.81	988.25	399.86	371.34	4,47,860.61
Additions	-	857.01	3,196.58	23.73	91.96	162.82	-	4,332.10
Disposals	-	1.81	243.23	188.78	188.80	234.48	50.00	907.10
Cost/deemed cost as at 31 March 2024	**412.47**	**81,830.20**	**3,67,286.23**	**215.76**	**891.41**	**328.20**	**321.34**	**4,51,285.61**
Accumulated depreciation as at 01 April 2023	-	15,022.49	77,981.19	284.19	710.31	257.55	216.36	94,472.09
Depreciation expense	-	1,660.52	8,951.60	14.69	58.17	70.06	36.00	10,791.04
Deductions	-	0.62	172.77	168.76	177.45	219.58	43.40	782.58
Accumulated depreciation as at 31 March 2024	-	**16,682.39**	**86,760.02**	**130.12**	**591.03**	**108.03**	**208.96**	**1,04,480.55**
Accumulated impairment as at 01 April 2023	-	30,861.19	1,20,831.91	-	-	-	-	1,51,693.10
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	0.52	29.55	-	-	-	-	30.07
Accumulated impairment as at 31 March 2024	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Net carrying value								
At 31 March 2023	**412.47**	**35,091.32**	**1,65,519.77**	**96.62**	**277.94**	**142.31**	**154.98**	**2,01,695.41**
At 31 March 2024	**412.47**	**34,287.14**	**1,59,723.85**	**85.64**	**300.38**	**220.17**	**112.38**	**1,95,142.03**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads of ₹ 5,910.88 lakhs (FY 2022-23 ₹ 5,722.28 lakhs)

The above assets are mortaged in favour of ICICI Bank, please refer note 17

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

BMM ISPAT LTD. * DANAPUR *

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BMM ISPAT LTD. * DANAPUR *

BMM Ispat Limited
(Formerly known as B.M.M. ISPAT LIMITED)
Notes to the financial statements for the year ended 31 March 2024
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment (contd..)

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2022	412.47	80,041.88	3,59,713.47	341.92	832.90	343.98	420.02	4,42,106.64
Additions	-	933.12	4,919.47	38.89	155.35	58.40	-	6,105.23
Disposals	-	-	300.06	-	-	2.52	48.68	351.26
Cost/deemed as at 31 March 2023	**412.47**	**80,975.00**	**3,64,332.88**	**380.81**	**988.25**	**399.86**	**371.34**	**4,47,860.61**
Accumulated depreciation as at 01 April 2022	-	13,368.71	69,053.32	260.51	684.15	214.30	216.30	83,797.30
Depreciation expense	-	1,653.78	9,143.19	23.68	26.16	45.64	45.39	10,937.84
Deductions	-	-	215.32	-	-	2.40	45.33	263.05
Accumulated depreciation as at 31 March 2023	-	**15,022.49**	**77,981.19**	**284.19**	**710.31**	**257.55**	**216.36**	**94,472.09**
Accumulated impairment as at 01 April 2022	-	**30,861.19**	**1,20,831.91**	-	-	-	-	**1,51,693.11**
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-		-	-	-	-	-	-
Accumulated impairment as at 31 March 2023	-	**30,861.19**	**1,20,831.91**	-	-	-	-	**1,51,693.11**
Net carrying value								
At 31 March 2023	**412.47**	**35,091.32**	**1,65,519.77**	**96.62**	**277.94**	**142.31**	**154.98**	**2,01,695.41**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads

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4B. Capital Work-in-progress

Particulars	31 March 2024	31 March 2023
Capital work-in-progress	92,283.10	24,581.35
Total	**92,283.10**	**24,581.35**

Capital work-in-progress ageing schedule for the year ended 31 March 2024

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	68,483.13	23,743.83	56.13	-	92,283.10
Projects temporarily suspended	-	-	-	-	-
Total	**68,483.13**	**23,743.83**	**56.13**	**-**	**92,283.10**

Capital work-in-progress ageing schedule for the year ended 31 March 2023

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	24,500.78	80.57	-	-	24,581.35
Projects temporarily suspended	-	-	-	-	-
Total	**24,500.78**	**80.57**	**-**	**-**	**24,581.35**

For Capital work-in-progress, whose completion is overdue compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31 March 2024

As at 31 March 2024

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	90,772.08	-	-	-	90,772.08
Gunda Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	1,404.60	-	-	-	1,404.60
Total	**92,176.68**	**3.67**	**-**	**-**	**92,180.35**

As at 31 March 2023

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	23,743.96	-	-	-	23,743.96
Gunda Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	642.87	-	-	-	642.87
Total	**24,386.84**	**3.67**	**-**	**-**	**24,390.50**

5. Right-of-use assets

	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2023	14,216.12	328.23	14,544.35
Additions	1,315.95	-	1,315.95
Disposals	-	-	-
Cost as at 31 March 2024	**15,532.07**	**328.23**	**15,860.30**
Accumulated impairment as at 01 April 2023	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2024	**937.73**	**-**	**937.73**
Accumulated amortisation as at 01 April 2023	87.79	26.15	113.94
Charge for the year	10.97	27.33	38.30
Disposals	-	-	-
Accumulated amortisation as at 31 March 2024	**98.76**	**53.48**	**152.24**
Total accumulated amortisation and impairment as at 31 March 2024	1,036.49	53.48	1,089.97
Net carrying value as at 31 March 2024	**14,495.58**	**274.75**	**14,770.33**

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	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2022	13,640.59	-	13,640.59
Additions	575.53	328.23	903.76
Disposals	-	-	-
Cost as at 31 March 2023	**14,216.12**	**328.23**	**14,544.35**
Accumulated impairment as at 01 April 2022	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2023	**937.73**	**-**	**937.73**
Accumulated depreciation as at 01 April 2022	87.79	-	87.79
Charge for the year	-	26.15	26.15
Disposals	-	-	-
Accumulated depreciation as at 31 March 2023	**87.79**	**26.15**	**113.94**
Total accumulated depreciation and impairment as 31 March 2023	**1,025.52**	**26.15**	**1,051.67**
Net carrying value as at 31 March 2023	**13,190.60**	**302.08**	**13,492.68**

*Right-of-use assets of land includes amounts paid to KIADB and site development expenses incurred to acquire land under lease cum sale basis.

Leasehold land aggregating to ₹ 6,208.52 lakhs wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	Amount
At 01 April 2022	-
Additions	328.23
Interest Accrued	20.15
Lease principal payments	(162.96)
Lease interest payments	(20.15)
At 31 March 2023	**165.27**
Additions	38.52
Interest Accrued	13.78
Lease principal payments	(121.51)
Lease interest payments	(13.78)
At 31 March 2024	**82.28**

Break-up of lease liabilities:

Particulars	31 March 2024	31 March 2023
Current	58.58	114.45
Non-Current	23.70	50.82

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2024 on an undiscounted basis:

Particulars	31 March 2024	31 March 2023
Less than 1 year	62.53	124.74
1-5 years	27.26	51.98
More than 5 years	-	-

The Company does not face any 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 they fall due.

6. Other intangible assets

Intangibles	Computer software	Total
Cost/deemed cost		
Cost as at 01 April 2023	**247.68**	**247.68**
Additions	595.68	595.68
Disposals	3.25	3.25
Cost as at 31 March 2024	**840.11**	**840.11**
Accumulated amortization as at 01 April 2023	**201.12**	**201.12**
Amortization expense	55.52	55.52
Deductions	3.25	3.25
Accumulated amortization as at 31 March 2024	**253.39**	**253.38**
Net carrying value as at 31 March 2024	**586.72**	**586.73**

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Cost as at 01 April 2022	207.18	**207.18**
Additions	40.50	40.50
Disposals	-	-
Cost as at 31 March 2023	**247.68**	**247.68**
Accumulated amortization as at 01 April 2022	170.06	170.06
Amortization expense	31.06	31.06
Deductions	-	-
Accumulated amortization as at 31 March 2023	**201.12**	**201.12**
Net carrying value as at 31 March 2023	**46.56**	**46.56**
Useful life of the asset	03	
Method of amortization	SLM	

7. Loans (Unsecured, considered good)

	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Loans*				
to related parties	-	-	-	25,500.00
to other body corporate	-	1,524.65	-	1,389.97
to employees	2.00	3.11	-	-
Total	**2.00**	**1,527.76**	**-**	**26,889.97**

Loans to related parties & other body corporates are given for their business purpose. Details of loans given to related parties has been disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Details of Loans and Advances in the nature of loans to related parties:

	31 March 2024		31 March 2023	
Name of the Company	**Maximum amount outstanding during the year**	**Amount outstanding**	**Maximum amount outstanding during the year**	**Amount outstanding**
Adarsh Advisory Services Private Limited	12,500.00	-	12,500.00	12,500.00
Everbest Consultancy Services Private Limited	8,000.00	-	8,000.00	8,000.00
South West Mining Limited	3,500.00	-	3,500.00	3,500.00
Ranjitpura Infrastructure Private Limited	1,500.00	-	1,500.00	1,500.00

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8. Other financial assets (at amortised cost)

Non-current	31 March 2024	31 March 2023
Security Deposits		
- Considered good	397.46	427.93
- Considered doubtful	154.36	158.36
Less: allowance for doubtful deposit	(154.36)	(158.36)
	397.46	**427.93**
Bank Deposits with original maturity for more than 12 months	0.50	277.91
Interest accrued on bank deposits	0.03	5.92
	397.99	**711.76**
Current		
Security Deposits (Considered good)		
to related parties	40.00	40.00
to others	2,320.54	3,367.12
Interest accrued on term deposits/security deposits	62.67	286.35
Interest accrued on intercorporate deposits	-	520.62
	2,423.21	**4,214.09**
Total	**2,821.20**	**4,925.85**

There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
Details of security deposits given to related parties has been disclosed under note 44.
Security deposit given to related party is as per rental agreement.

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9. Income taxes

Indian companies are subject to Indian income tax on the basis of standalone financial statements. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on 01 April and ending on 31 March.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, expenses not deductable, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and cess.

a. Income tax expense

	For the year ended	
	31 March 2024	31 March 2023
Current tax:		
Current tax	-	-
Tax refund/reversal pertaining to earlier years	-	-
Deferred tax:		
Deferred tax	3,723.37	4,756.02
Total deferred tax	**3,723.37**	**4,756.02**
Total tax expense	**3,723.37**	**4,756.02**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	For the year ended	
	31 March 2024	31 March 2023
Profit before tax	12,826.82	16,964.63
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	**3,228.25**	**4,269.66**
Expenses not deductible in determining taxable profits	494.31	454.14
Income not taxable in determining taxable profits	-	-
Impact on account of Ind AS adjustments	1.17	39.49
Others	(0.36)	(7.27)
Tax expense for the year	**3,723.37**	**4,756.02**
Effective income tax rate	**29.03%**	**28.03%**

b. Deferred tax assets/(liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Deferred tax balance in relation to	Balance as at 31 March 2023	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	Balance as at 31 March 2024
Property, plant & equipment and ROU assets	(19,373.23)	(2,796.24)	-	(22,169.48)
Carried forward business loss/unabsorbed depreciation	15,638.17	(1,185.54)	-	14,452.63
Retirement benefit obligation	127.68	24.42	4.87	156.97
Others	2,542.32	233.99	-	2,776.31
Total	**(1,065.06)**	**(3,723.37)**	**4.87**	**(4,783.57)**

Deferred tax balance in relation to	Balance as at 31 March 2022	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	Balance as at 31 March 2023
Property, plant and equipment	(15,590.37)	(3,782.86)	-	(19,373.23)
Carried forward business loss/unabsorbed depreciation	17,753.21	(2,115.05)	-	15,638.17
Retirement benefit obligation	116.50	34.35	(23.17)	127.68
Others	1,434.78	1,107.54	-	2,542.32
Total	**3,714.12**	**(4,756.02)**	**(23.17)**	**(1,065.06)**

The Company has exercised the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has measured its net deferred tax assets/liability on the basis of the rate prescribed in the said section.

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10. Income Tax assets (Net)

	31 March 2024	31 March 2023
Income taxes paid under protest	1,886.37	1,866.36
Income tax refund receivable	1,635.17	812.26
TDS receivable	606.95	618.49
Total	**4,128.49**	**3,297.11**

Note: Income Tax liability for FY 2023-24 is nil (FY 2022-23 is nil) due to carry forward lossess.

11. Other assets* (unsecured)

	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Capital advances, considered good	915.74	-	4,017.34	-
Security deposits, considered good	413.41	-	334.99	-
Gratuity fund balance (net of liability)	46.50	-	75.07	-
Pre-paid expenses, considered good	95.47	455.48	123.93	359.59
Advances to suppliers and others, considered good	-	4,765.07	-	7,232.52
Advances to suppliers and others, considered doubtful	744.61	-	762.16	-
Less: Allowances for doubtful advances	(744.61)	-	(762.16)	-
Sub-total	**-**	**4,765.07**	**-**	**7,232.52**
Balances with statutory and govt authorities, considered good	1,748.44	4,370.81	1,676.23	-
Balances with statutory and govt authorities, considered doubtful	28.00	-	28.00	-
Less: Allowances for doubtful advances	(28.00)	-	(28.00)	-
Sub-total	**1,748.44**	**4,370.81**	**1,676.23**	**-**
Total	**3,219.56**	**9,591.36**	**6,227.56**	**7,592.11**
Unsecured, considered good	3,219.56	9,591.36	6,227.56	7,592.11
Unsecured, considered doubtful	772.61	-	790.16	-

Details of advances given to related parties has been disclosed under note 44

* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

12. Inventories

	31 March 2024	31 March 2023
Raw materials (at cost)	20,127.30	18,631.90
Work-in-progress (at cost)	706.74	180.48
Finished goods (at cost or net realisable value)	27,060.89	4,878.16
Others (valued at net realizable value)	1,125.88	855.49
Stores and spares (at cost)	10,411.07	7,531.61
Total	**59,431.88**	**32,077.64**

Details of Stock-in-transit (included in above inventories)

	31 March 2024	31 March 2023
Raw materials	5,937.96	4,004.18
Total	**5,937.96**	**4,004.18**

Refer note no. 49 for change change in accounting policy in FY 2023-24

The above inventories are hypothicated in favour of ICICI Bank, please refer note 17

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13. Trade receivables*

	31 March 2024	31 March 2023
Unsecured, considered good	7,371.00	5,283.49
Considered doubtful	49.49	49.49
Less: Allowance for doubtful receivables	(49.49)	(49.49)
Total	**7,371.00**	**5,283.49**

Trade receivables ageing Schedule as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	7,362.97	57.52	-	-	-	7,420.49
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.20)	(0.29)	-	-	-	(49.49)
Total	**7,313.77**	**57.23**	-	-	-	**7,371.00**

Trade receivables ageing Schedule as on 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	5,332.98	-	-	-	-	5,332.98
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.49)	-	-	-	-	(49.49)
Total	**5,283.49**	-	-	-	-	**5,283.49**

The normal credit period on sales of goods ranges from 7 to 30 days with or without security.
The company is providing 0.5% as allowance for doubtful debts towards expected credit losses considering the business model.

Trade receivables from related parties are disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
The above receivables are hypothicated in favour of ICICI Bank, please refer note 17

Movement of doubtful receivables:	31 March 2024	31 March 2023
Opening loss allowance	49.49	49.49
Allowance provided during the year	-	-
Allowance reversed during the year	-	-
Closing loss allowance	**49.49**	**49.49**

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14. Cash and bank balances

Cash and cash equivalents Balances with banks	31 March 2024	31 March 2023
In current accounts	1,733.33	1,865.06
Deposits with original maturity for less than or equal to 3 months	3,200.00	4,925.93
Drafts on hand	-	5.10
Cash on hand	2.14	1.74
	4,935.47	**6,797.83**
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	-	35,149.25
Margin money deposits*	277.83	574.33
Deposits held for CSR purpose	748.67	251.71
Bank balances towards CSR purpose	14.48	3.43
	1,040.98	**35,978.72**
Total	**5,976.45**	**42,776.55**

*includes term deposits held as margin money for security against the bank guarantees.

15. Equity share capital

Authorised share capital:	**31 March 2024**	**31 March 2023**
30,00,00,000 (31 March 2023: 30,00,00,000) Equity shares of ₹ 10 each	30,000.00	30,000.00
Issued, subscribed and fully paid-up shares:		
25,70,98,746 (31 March 2023: 25,70,98,746) Equity shares of ₹ 10 each	25,709.87	25,709.87
Total	**25,709.87**	**25,709.87**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2024		**31 March 2023**	
Equity shares	**No. of shares**	**₹ in lakhs**	**No. of shares**	**₹ in lakhs**
At the beginning of the period	25,70,98,746	25,709.87	25,70,98,746	25,709.87
Issued during the period	-	-	-	-
Outstanding at the end of the period	**25,70,98,746**	**25,709.87**	**25,70,98,746**	**25,709.87**
		-		-

B. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Shares held by holding company*

	31 March 2024		**31 March 2023**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%

D. Details of shareholders holding more than 5% shares in the company*

	31 March 2024		**31 March 2023**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
Dinesh Kumar Singhi	10,67,04,504	41.50%	10,67,04,504	41.50%
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%

E. Shares held by promotors as on 31 March 2024*

Shares held by promotors at the end of the year

S NO	Promoter Name	No. of shares	% of total shares	% Change during the year
1	JSW Projects Limited	15,03,25,637	58.47%	-
2	Dinesh Kumar Singhi	10,67,04,504	41.50%	-
3	Snehalatha Singhi	68,605	0.03%	-

*As per the records of the company, including it's register of shareholders / members, the above shareholding represents legal and/or beneficial ownership of shares.

F. The company has not allotted any shares pursuant to contracts without payment being received in cash during the 5 years immediately preceding the date of the balance sheet.







16. Other equity

A. Retained earnings

Retained earnings are the profits and gains that the company has earned till date, less any transfer to general reserve, debenture redemption reserve or other reserves, dividends or other distributions paid to shareholders.
The details of movement in retained earnings is as below:

	31 March 2024	31 March 2023
Balance at the beginning of the year	1,83,024.51	1,70,747.02
Profit for the year	9,103.45	12,208.61
Remeasurement of post-employment defined benefit plans	(14.49)	68.88
Transfer to debenture redemption reserve	-	-
Balance at the end of the year	**1,92,113.47**	**1,83,024.51**

B. Equity instruments through other comprehensive income

The details of other comprehensive income recognised during the year is as below:

	31 March 2024	31 March 2023
Balance at the beginning of the year	(338.36)	(338.36)
Balance at the end of the year	**(338.36)**	**(338.36)**

C. Other reserves

a. Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
The details of movement in securities premium is as below:

	31 March 2024	31 March 2023
Balance at the beginning of the year	19,586.08	19,586.08
Balance at the end of the year	**19,586.08**	**19,586.08**
D. Equity component of compulsory convertible debentures*	59,804.06	59,804.06
Total	**2,71,165.26**	**2,62,076.30**

*** Terms/rights attached to compulsory convertible debentures (Also refer note 41)**
On 27 October 2020, as per the terms of the Investment Agreement dated 04 March 2020 read with amendment Agreement dated 22 October 2020, the company has allotted 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each and 16,01,83,717 Series A Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each to M/s. JSW Projects Limited.

On 27 October 2020, as per the terms of the Investment Agreements, the outstanding unsecured loans from Mr. Dinesh Kumar Singhi of ₹ 20,024.98 lakhs and Mrs. Snehalatha Singhi of ₹ 4,811.65 lakhs were converted into 20,02,49,805 and 4,81,16,473 of Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively.

On 16 December 2020, upon satisfactory completion of conditions referred in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.
The terms and conditions of the debentures are as follows:
1. Series A-CCD and Series C-CCD have a term period of maximum 20 years starting from the date of allotment and the holder of the said debentures shall have the right to convert each CCD into one equity share of ₹ 10 each of the company at any time during the debenture term.
2. Series B-CCD have a term period of maximum 20 years starting from the date of allotment and each Series B-CCD shall automatically and mandatorily be converted to one equity share of ₹ 10 each upon conversion of Series A-CCD on prorata basis.
3. All the CCD's do not carry any coupon payments during the term of the debentures.

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17. Borrowings (at amortised cost)

	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Term loans from Banks (secured)				
ICICI Bank	15,000.00	10,000.00	25,000.00	10,000.00
Less: Unamortised processing fees	(50.22)	(81.15)	(131.37)	(119.11)
	14,949.78	**9,918.85**	**24,868.63**	**9,880.89**
Acceptance for capital projects with maturity more than 1 year (secured)	13,271.17	-	5,654.39	-
	28,220.95	**9,918.85**	**30,523.02**	**9,880.89**
The above amount includes				
Secured borrowings	28,220.95	9,918.85	30,523.02	9,880.89
Unsecured borrowings	-	-	-	-
Amount disclosed in Note 19	-	(9,918.85)	-	(9,880.89)
	28,220.95	-	**30,523.02**	-

1. Term Loan (secured)

On 26 November 2021, the company has taken rupee term loan of ₹ 50,000 lakhs from ICICI bank as part re-financing of Non-Convertable Debentures (NCD) issued to J.P. Morgan Securities Aisa Private Limited . The term loan carries an interest ranging from 9.05% to 9.65% and was payable on monthly basis with principal repayments in 20 quarterly instalments. The security for the said loan was first charge over the movable and immovable assets of the company; second charge on the current assets of the company and the said loan shall be further secured by pledge of 30% of the equity share capital of the company. The company has filed form CHG-1 on 10 December 2021 towards creation of charge infavour of ICICI Bank by creating first charge over movable assets. Further, the company has filed form CHG-1 on 9th June, 2022, for modification of the charge to register the 'Memorandum of Entry (MOE)- Mortgage by deposit of Title Deeds' executed in favour of ICICI Bank Limited.

2. During the FY 2022-23, the Company has availed from ICICI Bank Limited –
CAPEX Letter of Credit facility with a limit upto ₹ 15,000 lakhs with maximum usance period of 1080 days. These facilities have been secured by creating exclusive charge on specified assets being procured in form of any movable plant and machinery, machinery spares, tools and accessories, other movables. The necessary form CHG-1 has been filed on 18th October, 2022. Interest ranges from 3.6% to 4.92% p.a

3. The Company has used the borrowings from banks for the specific purpose for which it was obtained.

18. Provisions

	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for compensated leave absence	543.66	80.04	448.00	59.31
Total	**543.66**	**80.04**	**448.00**	**59.31**

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19. Borrowings (current, at amortised cost)

	31 March 2024	31 March 2023
Current maturities of long term borrowings - Term loans	9,918.85	9,880.89
Working capital loans (including Acceptances)	11,689.12	10,278.62
Total	**21,607.97**	**20,159.51**
The above amount includes		
Secured borrowings	21,607.97	20,159.52
Unsecured borrowings	-	-

The company has availed Working Capital (including non-fund bassed limits) and Derivative limits upto ₹ 15,000 lakhs and ₹ 4,000 lakhs, respectively. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables. The necessary form CHG-1 has been filed on 18th October, 2022. Letter of credit carries interest rate ranges from 5.5% to 5.9% p.a.
The Company has used the borrowings from banks for the specific purpose for which it was obtained.

20. Trade payables

	31 March 2024	31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	3,654.00	3,105.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,809.42	7,651.41
Unbilled Trade payables	1,728.44	93.25
Total	**19,191.86**	**10,849.79**

Trade payables ageing schedule for the year ended as on 31 March 2024:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	3,652.50	1.50	-	-	3,654.00
Outstanding dues to others	1,728.44	13,641.64	108.52	-	59.25	15,537.86
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**1,728.44**	**17,294.14**	**110.02**	**-**	**59.25**	**19,191.86**

Trade payables ageing schedule for the year ended as on 31 March 2023:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	3,042.21	20.38	19.07	23.46	3,105.13
Outstanding dues to others	93.25	7,194.82	45.54	101.33	309.72	7,744.66
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**93.25**	**10,237.04**	**65.93**	**120.40**	**333.18**	**10,849.79**

Trade payables to related parties details are furnished in note 44.

21. Other financial liabilities (as amortised cost)

	31 March 2024		31 March 2023	
	Non-Current	Current	Non-Current	Current
Interest accrued and not due on borrowings	-	289.53	-	140.20
Others				
Creditors for capital purchases	-	11,221.28	-	3,653.35
Creditors for expenses	-	566.27	-	518.42
CSR ongoing projects payable		1,172.57		974.91
Others	-	158.14	-	44.69
Total	**-**	**13,407.79**	**-**	**5,331.57**

Amounts due to related parties details has been described in note 44.

22. Other current liabilities

	31 March 2024	31 March 2023
Advances from customers	1,570.26	3,312.86
Statutory liabilities	10,480.26	9,177.76
Others	8.14	7.96
Total	**12,058.66**	**12,498.58**

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23. Revenue from operations	**31 March 2024**	**31 March 2023**
Sale of products	2,83,628.15	3,60,392.81
Other operating revenue	4,033.75	4,073.38
Total	**2,87,661.90**	**3,64,466.19**

a. Ind AS 115 Revenue from contracts with customers

The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

	31 March 2024		**31 March 2023**	
Particulars	**MT**	**Rs. In Lakhs**	**MT**	**Rs. In Lakhs**
TMT	83,607	40,446.99	96,931	52,838.84
Billet	17,235	7,629.27	30,827	14,952.35
Sponge Iron	5,75,273	1,57,792.47	5,77,222	1,81,801.71
Pellet	7,43,769	75,492.40	12,06,767	1,07,656.07
Others	-	2,267.02	-	3,143.83
Total		**2,83,628.15**		**3,60,392.81**

	31 March 2024	**31 March 2023**
Revenue from contracts with customers-sale of products	2,83,628.15	3,60,392.81
Other operating revenue	4,033.75	4,073.38
Total revenue from operations	**2,87,661.90**	**3,64,466.19**
Revenue within India	2,87,661.90	3,64,466.19
Revenue from outside India	-	-
Total revenue from operations	**2,87,661.90**	**3,64,466.19**
Timing of revenue recognition		
At a point of time	2,87,661.90	3,64,466.19
Total revenue from operations	**2,87,661.90**	**3,64,466.19**

Contract balances:	**As at 31 March 2024**	**As at 31 March 2023**
Trade receivables (refer note 13)	7,371.00	5,283.49
Contract liabilities		
Advances received from customers (refer note 22)	1,570.26	3,312.86

The normal credit period on sales of goods ranges from 7 to 30 days with or without security.

As at 31 March 2024, an amount of ₹ 49.49 lakhs (31 March 2022: ₹ 49.49 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include short term trade advances received for sale of goods.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year is ₹ 3,312.86 lakhs (31 March 2023: ₹ 2,126.69 lakhs) and performance obligations satisfied in previous years is ₹ Nil (31 March 2023: ₹ Nil).

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Out of the total contract liabilities outstanding as on 31 March 2024, ₹ 1,570.26 lakhs (31 March 2023: ₹ 3,312.86 lakhs) will be recognized on execution of contract by 31 March 2025.

Refund liabilities:	**As at 31 March 2024**	**As at 31 March 2023**
Arising from volume rebates (included in other financial liabilities-note 21)	67.23	124.15

The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.

24. Other income	**31 March 2024**	**31 March 2023**
Interest income from term deposits (includes TDS credit of CY ₹ 101.17 and PY ₹ 111.47)	1,017.52	1,107.01
Interest income from security deposits (includes TDS credit of CY ₹ 2.26 and PY ₹ 1.46)	22.60	14.58
Interest income from others (includes TDS credit of CY ₹ 0.00 and PY ₹ 39.76)	2.27	397.55
Interest income from Inter Corporate Deposits (includes TDS credit of CY ₹ 204.79 and PY ₹ 236.95)	2,182.55	2,567.50
Exchange rate fluctuation (net)	234.46	-
Other non-operating income		
- Other miscellaneous income	436.24	350.10
Total	**3,895.64**	**4,436.74**

25. Cost of material consumed	**31 March 2024**	**31 March 2023**
Inventory at the beginning of the year	18,631.90	17,103.80
Add: Purchases	2,45,099.22	2,90,372.80
	2,63,731.12	**3,07,476.60**
Less: Transferred to capital work- in-progress	19.30	1,663.23
Less: Inventory at the end of the year	20,127.30	18,631.90
Cost of materials consumed	**2,43,584.52**	**2,87,181.47**

Cost of materials consumed disclosed is on the basis of derived figures.

26. Changes in inventories of finished goods, stock in trade and work in progress

	31 March 2024	**31 March 2023**
Inventories at the end of the year		
Finished goods & others	28,186.77	5,733.65
Work-in-progress	706.74	180.48
	28,893.51	**5,914.13**
Inventories at the beginning of the year		
Finished goods & others	5,733.65	14,236.89
Work-in-progress	180.48	47.51
	5,914.13	**14,284.40**
(Increase) / Decrease	**(22,979.38)**	**8,370.27**

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27. Employee benefits expense	31 March 2024	31 March 2023
Salary, wages & bonus	6,361.36	5,090.53
Contribution to provident and other funds	782.79	629.50
Staff welfare expenses	961.60	608.15
Total	**8,105.75**	**6,328.18**

28. Finance costs	31 March 2024	31 March 2023
Interest on Term loans, Working Capital & others	3,487.68	4,023.60
Amortizatoin of loan processing fees	119.11	231.92
Bank charges	67.61	125.01
Total	**3,674.40**	**4,380.53**

29. Depreciation and amortization expense	31 March 2024	31 March 2023
Depreciation of property, plant and equipment	10,791.04	10,937.84
Amortization of intangible assets	55.52	31.06
Depreciation of Right-of-use assets	38.30	26.15
Total	**10,884.86**	**10,995.05**

30. Other expenses	31 March 2024	31 March 2023
Consumption of stores and spares	14,394.10	12,613.02
Repairs and maintenance - building	501.47	306.61
Repairs and maintenance - plant and machinery	2,374.41	1,299.82
Repairs and maintenance - others	623.17	318.08
Power & fuel	3,814.57	6,190.38
Labour charges	5,902.58	5,083.13
Analysis & laboratory charges	58.67	41.04
Machinery hire charges	1,600.44	1,325.67
Water withdrawal charges	181.02	184.00
Office & general administration expenses	328.74	264.29
Communication expenses	29.40	29.11
Insurance	594.35	509.51
Legal and professional charges	573.51	470.69
Travelling & conveyance	65.54	43.77
Rates & taxes	532.58	992.76
Security and service charges	549.60	499.17
Printing and stationery	22.41	18.33
Rent	81.87	85.84
Directors sitting fees	16.30	16.30
Donations	67.36	28.18
Corporate Social Responsibility expenses	1,887.88	1,623.19
Loss on sale/discard of fixed assets (net)	87.48	150.72
Exchange rate fluctuation (net)	-	10.37
Payment to auditor (refer details below)	17.00	12.00
Advertisement & business promotion	6.50	3.58
Commission on sales	38.26	26.46
Advances/balances written off	0.88	18.01
Loading and unloading charges	164.67	138.51
Freight and demurrage charges	735.47	1,986.27
Power export expenses	135.63	299.73
Others	74.69	94.28
Total	**35,460.57**	**34,682.80**

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Payment to auditor	31 March 2024	31 March 2023
As auditor:		
Statutory Audit fees	13.00	11.00
Tax audit fees	1.50	1.00
In other capacity:		
Other services (consultancy, certification fee and reimbursement of expenses)	2.50	-
Total	**17.00**	**12.00**

31. Earnings per share (EPS)	31 March 2024	31 March 2023
Profit after tax	9,103.45	12,208.61
Closing number of equity shares (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for basic EPS (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for diluted EPS (No's)	85,51,39,387	85,51,39,387
Basic earnings per share (in ₹)	3.54	4.75
Diluted earnings per share (in ₹)	1.06	1.43
Nominal value of shares (in ₹)	10.00	10.00



32. Balances of trade receivables, trade payables and loans are subject to confirmation/reconciliation, if any.

33. In the opinion of Board of Directors adequate provision has been made in the accounts for all known liabilities and the current assets and loans have a value on realization in the ordinary course of business at least equal to the value stated in the balance sheet.

34. The company's other leasing arrangements are in the nature of operating leases. These are cancellable operating leases and the agreements are normally renewed on expiry. The aggregate lease rentals payable are charged as rent under note 30.

35. Financial instruments

I. Capital risk management

The company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from external borrowings. The company is not subject to any externally imposed capital requirements.

The company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings from banks and related parties less cash and cash equivalents, bank balances other than cash and cash equivalents.

₹ in lakhs

Particulars	31 March 2024	31 March 2023
Long term borrowings	28,220.95	30,523.02
Short term borrowings	21,607.97	20,159.51
Less: Cash and cash equivalent	(4,935.47)	(6,797.83)
Less: Bank balances other than cash and cash equivalents	-	(35,149.25)
Net debt	**44,893.45**	**8,735.44**
Total equity	**2,96,875.12**	**2,87,786.17**
Gearing ratio	**0.15**	**0.03**

i. Equity includes all capital and reserves of the company that are managed as capital.
ii. Debt is defined as long and short term borrowings, as described in notes 17 and 19.

II. Categories of financial instruments ₹ in lakhs

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	31 March 2024		31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Loans	1,529.76	1,529.76	26,889.97	26,889.97
Other financial assets	2,821.20	2,821.20	4,925.85	4,925.85
Trade receivables	7,371.00	7,371.00	5,283.49	5,283.49
Cash and cash equivalents	4,935.47	4,935.47	6,797.83	6,797.83
Bank balances other than cash and cash equivalents	1,040.98	1,040.98	35,978.72	35,978.72
Total financial assets at amortised cost	**17,698.41**	**17,698.41**	**79,875.86**	**79,875.87**
Financial liabilities				
Measured at amortised cost				
Long term borrowings	28,220.95	28,220.95	30,523.02	30,523.02
Short term borrowings	21,607.97	21,607.97	20,159.51	20,159.51
Lease liabilities	82.28	82.28	114.45	114.45
Trade payables	19,191.86	19,191.86	10,849.79	10,849.79
Other financial liabilities	13,407.79	13,407.79	5,331.57	5,331.57
Total financial liabilities at amortised cost	**82,510.85**	**82,510.84**	**66,978.34**	**66,978.34**







III. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade and other payables, security deposits taken, employee liabilities. The Company's principal financial assets include trade and other receivables, loans given and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance function provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and approves policies for managing each of these risks, which are summarised below.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

IV. 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 the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

V. Foreign currency risk management

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 costs of imports, primarily in relation to raw materials.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2024 — ₹ in lakhs

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	1,529.76	-	-	-	1,529.76
Trade receivables	7,371.00	-	-	-	7,371.00
Cash and cash equivalents	4,934.79	0.45	-	0.23	4,935.47
Bank balances other than cash and cash equivalents	1,040.98	-	-	-	1,040.98
Other financial assets	2,821.20	-	-	-	2,821.20
Total financial assets	**17,697.73**	**0.45**	-	**0.23**	**17,698.41**
Financial liabilities					
Long term borrowings	14,954.51	3,951.15	9,315.29	-	28,220.95
Lease liabilities	82.28	-	-	-	82.28
Short term borrowings	9,919.34	11,688.64	-	-	21,607.97
Trade payables	19,191.21	0.65	-	-	19,191.86
Other financial liabilities	10,559.79	1,685.79	1,162.21	-	13,407.79
Total financial liabilities	**54,707.13**	**17,326.23**	**10,477.50**	-	**82,510.85**

Currency exposure as at 31 March 2023 — ₹ in lakhs

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	26,889.97	-	-	-	26,889.97
Trade receivables	5,283.49	-	-	-	5,283.49
Cash and cash equivalents	6,797.14	0.44	-	0.24	6,797.82
Bank balances other than cash and cash equivalents	35,978.72	-	-	-	35,978.72
Other financial assets	4,925.85	-	-	-	4,925.85
Total financial assets	**79,875.17**	**0.44**	-	**0.24**	**79,875.85**
Financial liabilities					-
Long term borrowings	24,868.63	-	5,654.39	-	30,523.02
Lease liabilities	165.27				165.27
Short term borrowings	20,159.40	0.10	-	-	20,159.51
Trade payables	10,759.47	90.32	-	-	10,849.78
Other financial liabilities	3,501.05	1,147.58	682.93	-	5,331.56
Total financial liabilities	**59,453.82**	**1,238.00**	**6,337.32**	-	**67,029.14**

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The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Receivable				
USD/INR	0.01	0.01	(0.01)	(0.01)
Payable				
USD/INR	(173.26)	(12.38)	173.26	12.38

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Receivable				
EURO/INR	-	-	-	-
Payable				
EURO/INR	(104.78)	(6.83)	104.78	6.83

Unhedged currency risk position

i) Amount receivable in foreign currency

₹ in lakhs

Particulars	31 March 2024		31 March 2023	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Foreign currency in hand	0.01	0.68	0.01	0.68
Total	**0.01**	**0.68**	**0.01**	**0.68**

ii) Amount payable in foreign currency

₹ in lakhs

Particulars	31 March 2024		31 March 2023	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Long term borrowings	157.99	13,266.44	-	-
Short term borrowings	139.20	11,688.64	-	-
Trade payables	0.01	0.65	1.09	90.32
Other financial liabilities	33.90	2,848.00	22.17	1,830.51
Total	**331.10**	**27,803.73**	**23.26**	**1,920.83**

VI. Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of iron ore, coal, ferro alloys, scrap and other raw material inputs. The Company purchased all of its iron ore and coal requirements from third parties in the open market during the year ended 31 March 2024.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials in general move in the same direction.

The Company is exposed to commodity price risk on account of not using commodity hedging to manage volatility in commodity prices.

The following table details the Company's sensitivity to a 5% movement in the input price of iron ore and coal. The sensitivity analysis includes only 5% change in commodity prices for quantity purchased or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice versa.

₹ in lakhs

Commodity	Increase		Decrease	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Iron ore	6,069.82	5,543.92	(6,069.82)	(5,543.92)
Coal	5,218.22	7,614.27	(5,218.22)	(7,614.27)

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VII. 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 is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees, US dollars and EURO with floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate, SOFR and EURIBOR. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's floating rate borrowings: ₹ in lakhs

Particulars	31 March 2024	31 March 2023
Fixed rate borrowings	-	-
Floating rate borrowings	49,960.29	50,933.02
Total gross borrowings	**49,960.29**	**50,933.02**
Less: Unamortised discount and transaction costs	(131.37)	(250.48)
Total borrowings (refer note 17)	**49,828.92**	**50,682.54**

VIII. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. Two customer accounted for FY 2023-24 (group companies for FY 2022-23) for 10.00% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties and accordingly, the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2024 is considered adequate.

Movement in allowance for bad and doubtful debts ₹ in lakhs

Particulars	Amount
Ast at 01 April 2022	49.49
Additional Allowance	-
Reversal During the year	-
As at 31 March 2023	**49.49**
Additional Allowance	-
Reversal During the year	-
As at 31 March 2024	**49.49**

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 17,698.41 lakhs as at 31 March 2024 and ₹ 79,875.85 lakhs as at 31 March 2023, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2024 is considered adequate.

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

The Company's maximum exposure to the credit risk for the components of balance sheet as at 31 March 2024 and 31 March 2023 is the carrying amounts mentioned in note no 13 (trade receivables note).

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IX. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March 2024 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	1,527.76	2.00	-	1,529.76
Trade receivables	7,371.00	-	-	7,371.00
Cash and cash equivalents	4,935.47	-	-	4,935.47
Bank balances other than cash and cash equivalents	1,040.98	-	-	1,040.98
Other financial assets	2,423.22	47.78	350.21	2,821.21
Total financial assets	**17,298.43**	**49.78**	**350.21**	**17,698.42**
Financial liabilities				
Long term borrowings	-	28,220.95	-	28,220.95
Short term borrowings	21,607.97	-	-	21,607.97
Lease liabilities	58.58	23.70	-	82.28
Trade payables	19,191.86	-	-	19,191.86
Other financial liabilities	13,407.79	-	-	13,407.79
Total financial liabilities	**54,266.20**	**28,244.65**	-	**82,510.85**

Liquidity exposure as at 31 March 2023 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	26,889.97	-	-	26,889.97
Trade receivables	5,283.49	-	-	5,283.49
Cash and cash equivalents	6,797.83	-	-	6,797.83
Bank balances other than cash and cash equivalents	35,978.72	-	-	35,978.72
Other financial assets	4,214.09	342.25	369.51	4,925.85
Total financial assets	**79,164.10**	**342.25**	**369.51**	**79,875.87**
Financial liabilities				
Long term borrowings	-	30,523.02	-	30,523.02
Short term borrowings	20,159.51	-	-	20,159.51
Lease liabilities	114.45	50.82	-	165.27
Trade payables	10,849.79	-	-	10,849.79
Other financial liabilities	5,331.57	-	-	5,331.57
Total financial liabilities	**36,455.33**	**30,573.84**	-	**67,029.16**

X. Level wise disclosure of financial instruments

The carrying amount of financial assets and financial liabilites as stated above is considered to be same of it's fair values.
There are no transfers between level 1, Level 2 and Level 3 during the period.
The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short-term nature.



36. Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund recognized in statement of profit & loss is ₹ 431.51 lakhs (for the year ended 31 March 2023: ₹ 353.23 lakhs) (included in note 27).

B. Defined benefit plan:

The Company sponsors funded defined benefit plans for all qualifying employees. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of completed service until the retirement age of 58 years as per the provisions of The Payment of Gratuity Act, 1972. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk, market risk, investment risk and longevity risk.

i. Interest rate risk:

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and thus result in an increase in the value of the liability (as shown in financial statements).

ii. Liquidity risk:

This is the risk that the company is not able to meet the short-term gratuity payouts. This may rise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii. Salary escalation risk:

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv. Demographic risk:

The company has used certain mortality and attrition assumptions in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

v. Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of The Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulation requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of ₹ 20.00 lakhs).

vi. Market risk:

The duration of the liability is longer compared to the duration of the assets, exposing the company to market risk for volatities/fall in interest rate.

vii. Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

viii. Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2024 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (funded)

a. Liability recognized in the balance sheet **₹ in lakhs**

Particulars	For the year ended	
	31 March 2024	31 March 2023
Present value of obligation		
Present Value of obligation as at the beginning of the year	1,291.08	1,243.51
Current service cost	148.96	127.43
Interest cost	95.74	86.36
Actuarial (gain) / loss on obligation	27.84	(87.31)
Benefits paid	(95.46)	(78.90)
Present value of obligation as at the end of the year	1,468.16	1,291.08

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₹ in lakhs

Change in the fair value of plan assets	31 March 2024	31 March 2023
Fair value of plan assets as at the beginning of the year	1,366.16	1,235.92
Interest income	101.31	85.85
Employers Contributions	134.38	118.10
Benefits paid	(95.46)	(78.90)
Return on plan assets , excluding amount recognised in net interest expense	8.26	5.19
Fair value of plan assets as at the end of the year	**1,514.65**	**1,366.16**
Reconciliation of present value of obligation and the fair value of the plan assets		
Closing defined benefit obligation	1,468.16	1,291.08
Closing fair value of plan assets	1,514.65	1,366.16
Net liability (recognized) / reversed for the year	**46.49**	**75.08**

b. Expenses recognised in the profit and loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current and past service cost	148.96	127.43
Interest cost (net)	(5.57)	0.52
Expenses recognised in the income statement	**143.39**	**127.93**

c. Other comprehensive income

₹ in lakhs

Particulars	For the year ended	
	31 March 2024	31 March 2023
Actuarial (gains) / losses	27.84	(87.31)
Return on plan assets, excluding amount recognised in net interest expense	(8.26)	(5.19)
Components of defined benefit costs recognised in other comprehensive income	**19.58**	**(92.51)**

d. Principal actuarial assumptions:

Particulars	For the year ended	
	31 March 2024	31 March 2023
Discount factor	7.15%	7.40%
Expected rate of salary increase	8.00%	8.00%
Attrition rate	9.50%	8.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

e. Experience adjustments:

₹ in lakhs

Particulars	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Defined benefit obligation	1,468.16	1,291.08	1,243.51	1,213.84	1,132.00
Plan assets	1,514.65	1,366.16	1,235.92	1,115.77	808.24
Surplus/(deficit)	**46.49**	**75.08**	**(7.58)**	**(98.07)**	**(323.75)**
Experience adjustments on plan liabilities-loss/(gain)	27.84	(87.31)	(102.71)	(77.00)	182.54
Experience adjustments on plan assets-loss/(gain)	(8.26)	(5.19)	(1.08)	(8.06)	5.27

f. The Company expects to contribute ₹ 127.13 lakhs (31 March 2023: ₹ 136.62 lakhs) to its gratuity plan for the next year.

g. In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to date mortality tables, the base being the Indian assured lives mortality (2012-14).

h. Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

i. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

j. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

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Sensitivity analysis

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

₹ in lakhs

Particulars	31 March 2024	31 March 2023
Defined benefit obligation (base)	1,468.16	1,291.08

Particulars	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	1,578.26	1,370.42	1,397.52	1,197.46
(% change compared to base due to sensitivity)	7.50%	-6.70%	8.20%	-7.30%
Salary growth rate (- / + 1%)	1,373.03	1,572.83	1,199.84	1,392.48
(% change compared to base due to sensitivity)	-6.50%	7.10%	-7.10%	7.90%
Attrition rate (- / + 50% of attrition rates)	1,505.89	1,442.52	1,312.74	1,275.97
(% change compared to base due to sensitivity)	2.60%	-1.70%	1.70%	-1.20%
Mortality rate (- / + 10% of mortality rates)	1,468.27	1,468.05	1,291.17	1,290.99
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of plan assets (as percentage of total plan assets)

Particulars	31 March 2024	31 March 2023
Fund managed by LIC	100.00%	100.00%

Asset liability matching strategies

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy. The trust has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of the funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which could result in increase in liability without corresponding increase in the assets).

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows) is 8 years

₹ in lakhs

Expected cash flows over the next (valued on undiscounted basis)	31 March 2024	31 March 2023
1 year	159.62	127.16
2 to 5 years	666.57	520.46
6 to 10 years	704.00	619.10
More than 10 years	1,164.39	1,328.46







C. Compensated leave absences (unfunded)

- Liability recognized in the balance sheet

₹ in lakhs

Particulars	For the year ended	
	31 March 2024	31 March 2023
Present value of obligation		
Present value of obligation as at the beginning of the year	507.31	455.30
Current service cost	134.08	106.97
Interest cost	37.62	31.62
Actuarial (gain) / loss on obligation	35.71	1.95
Benefits paid	(91.03)	(88.53)
Present value of obligation as at the end of the year	**623.70**	**507.31**
Net liability recognized in the balance sheet	**623.70**	**507.31**

- Expenses recognised in the profit & loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current service cost	134.08	106.97
Interest cost	37.62	31.62
Actuarial (gain) / loss on obligation	35.71	1.95
Expenses recognised in the income statement	**207.41**	**140.54**

- Principal actuarial assumptions

Particulars	For the year ended	
	31 March 2024	31 March 2023
Discount factor	7.15%	7.40%
Salary increase	8.00%	8.00%
Attrition rate	9.50%	8.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

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37 **Contingent liabilities:**

₹ in lakhs

	Particulars	31 March 2024	31 March 2023
A	Disputed claims/levies (excluding interest and penalties if any), in respect of		
	i) Income tax matters, pending decisions on various appeals made by the company	11,225.00	10,486.20
	ii) Service tax	1,238.99	1,238.99
	iii) Excise duty	706.38	706.38
	iv) Transport cess	3,294.68	3,294.68
	v) MSME Creditors	425.61	425.61
	vi) Renewable Power Obligation	-	5,140.27
	vii) Demand from Power Utilities	3,484.72	-
	viii) Others	276.09	276.09

B. Forest development tax/fee:

In 2008, the State of Karnataka levied Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT before Karnataka High Court by various stakeholders (including BMM Ispat Limited) were filed to which the Hon'ble High Court of Karnataka has granted partial relief by a judgement dated 3 December, 2015. The High Court vide its judgment has directed refund of the entire amount of FDT collected by State Government on sale of iron ores by private lease operators and NMDC. The State Government has filed an appeal before the Supreme Court of India. The Hon'ble Court has not granted stay on the operation of the judgment but only stayed refund of FDT. The matter is yet to be heard by the Hon'ble Supreme Court of India. The company has discharged said levy and treated the levy as cost of procurement and included in purchase price.

The State of Karnataka on 27 July, 2016, has amended Section 98-A of the Forest Act retrospectively and substituted the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the company, the Hon'ble High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the Hon'ble Supreme Court of India and the same is currently pending. Based on merits of the case and supported by a legal opinion, the company has not recognised provision for FDF of ₹ 39,377.75 lakhs as at 31 March 2024 (including paid under protest and disclosed as receivable ₹ 1,298.22 lakhs) and treated it as a contingent liability.

38 **Commitments**

₹ in lakhs

	Particulars	31 March 2024	31 March 2023
A	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	17,985.05	28,857.80

The above commitment also includes ₹ 844.62 lakhs towards Rehabilitation and settlement of Gunda Station Village Residents as on 31st March 2024.

Other commitments:

The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to:

₹ in lakhs

Particulars	31 March 2024	31 March 2023
Export promotion capital goods scheme	30,226.48	24,301.43

The company is also involved in other lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business, however, there are no such matters pending that the company expects to be material in relation to its business.

39 The company has given counter guarantees to banks towards guarantees issued by them on behalf of the company: ₹ 939.74 lakhs (31 March 2023: ₹ 690.74 lakhs)

40 Based on the information available with the Company, Principal amount due to micro and small enterprises as defined under MSMED Act, 2006 is ₹ 3,654.00 lakhs (31 March 2023: ₹ 3,105.13 lakhs). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is ₹ Nil (31 March 2022: ₹ Nil).

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₹ in lakhs

S No	Particulars	31 March 2024	31 March 2023
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3,654.00	3,105.13
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
G	Further interest remaining due and payable for earlier years	-	-

41 (1) During the FY 2019-20, the company had entered into a binding strategic investment agreement with M/s. JSW Projects Limited ("Investor") pursuant to which the investor was desirous of investing ₹ 50,000.00 lakhs by way of subscription to the securities to be issued by the company. Subsequently, the company entered into an amendment agreement to the strategic investment agreement referred to above on 22 October 2020 with the investor, pursuant to which the company has allotted the following securities on 27 October 2020 to:

a. Investor

- 10,12,85,330 equity shares of ₹ 10 each amounting to ₹ 10,128.53 lakhs.
- 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each amounting to ₹ 23,853.09 lakhs.
- 16,01,83,717 Series A-Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each amounting to ₹ 16,018.37 lakhs.

b. Mr. Dinesh Kumar Singhi and Mrs. Snehalatha Singhi ("promoters")

- 20,02,49,805 and 4,81,16,473 Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively for the total amounting to ₹ 24,836.63 lakhs in lieu of outstanding loan amounts due by the company.

Further, On 16 December 2020, upon satisfactory completion of conditions referred to in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.

Post issuance of the above securities, the investor owns 58.47% & promoters own 41.53% equity in the company.

Further, after the completion of 48 months from the date of allotment of securities to the investor, the promoters have a right to buy investor's share of equity between 48-60 months. However, if the promoters do not exercise the said right then the investor has the right to buy promoters share of equity between 60-72 months.

(2) On 27 October 2020, the company received an amount of ₹ 5,000.00 lakhs from the investor as subordinate loan and the same is repaid on 26 Novemner 2021.

(3) On 02 November 2020, the company allotted 7,250 Non-Convertible Debentures of ₹ 10,00,000 each issued at a discount of 1% amounting to ₹ 71,775.00 lakhs to M/s. J.P. Morgan Securities Asia Private Limited. The company has redeemed the debentures in full on 26 November 2021.

(4) All the above proceeds including internal accruals were utilized for one time settlement of loans (incl. working capital loans) availed from Edelweises Asset Reconstruction Company (EARC) and Adithya Birla Asset Reconstruction Company (ABARC). Accordingly, the company paid ₹ 1,29,789.00 lakhs to EARC and ₹ 20,669.00 lakhs to ABARC towards full and final settlement of their respective loans.

Post the above settlements, the balance loan outstanding in the books to EARC and ABARC amounting to ₹ 2,54,176.95 lakhs and an amount of ₹ 3.87 lakhs due to the promoters, has been written back and treated as an exceptional income in the statement of profit and loss for the year ended 31 March 2021.

Segment reporting:

42 The company is in the business of manufacturing iron and steel products having similar economic characteristics, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

a) Revenue from operations

₹ in lakhs

Particulars	31 March 2024	31 March 2023
Domestic	2,87,661.90	3,64,466.18
Export	-	-
Total	**2,87,661.90**	**3,64,466.18**

Revenue from operations have been allocated on the basis of location of customers.

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b) **Non-Current Assets**

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

c) **Customers contributing more than 10% of Revenue** ₹ in lakhs

Particulars	31 March 2024	31 March 2023
Group*		
JSW Steel Limited	38,881.40	-
Other than Group		
Sugna Metals Limited	39,401.83	43,202.18
Total	**78,283.23**	**43,202.18**

*Group dose not constitute more than 10% of revenue for FY 2022-23

43 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act.

₹ in lakhs

a.

Particulars	31 March 2024	31 March 2023
(i) amount required to be spent by the company during the year	1,887.88	1,623.19
(ii) amount of expenditure incurred	1,415.72	820.76
(iii) shortfall provided at the end of the year	472.16	802.43
(iv) total of previous years shortfall provided	700.40	172.48
(v) reason for shortfall	Refer 'c' below	
(vi) nature of CSR activities	Health & Nutrition, Improving Education; Water, Environment & Sanitation; Rural Development projects, Skill Enhancement & livelihood, Promotion of rural sports and Art & Culture.	
(vii) details of related party transactions, e.g., contribution to a trust (JSW Foundation) controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	1,205.21	674.32
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Refer 'd' below	

b. **Amount earmarked for on-going projects:** ₹ in lakhs

Particulars	31 March 2024			31 March 2023		
	With company	in separate CSR Unspent A/c	Total	With company	in separate CSR Unspent A/c	Total
Opening Balance	**802.43**	**172.48**	**974.91**	**279.20**	**-**	**279.20**
Amount required to spent at the end of the year	472.16	-	**472.16**	802.43	-	802.43
Transfer to separate Unspent CSR A/c	(802.43)	802.43	-	(279.20)	279.20	-
Income earned on Unspent CSR amount	-	52.81	**52.81**	-	10.43	10.43
Amount spent during the year	-	(327.32)	**(327.32)**	-	(117.15)	(117.15)
Closing Balance	**472.16**	**700.40**	**1,172.57**	**802.43**	**172.48**	**974.91**

c. The unspent amount on ongoing projects as at 31 March 2024 aggregating to ₹ 472.16 lakhs (31 March 2023 ₹ 802.43 lakhs) was deposited in separate CSR unspent account within the timeline stipulated as per the Companies Act, 2013.

d. **Details of movement in provisions in FY 2023-24:** ₹ in lakhs

Opening Provision	Spent during the year	Income earned on Unspent CSR amount	Current year provision	Closing provision
974.91	327.32	52.81	472.16	1,172.57

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44 **Related party disclosures as per Ind AS 24:**

SL No.	Description of relationship	Names of related parties
A.	Holding company	JSW Projects Limited
B.	Enterprise over which KMP and relative of such KMP exercise significant influence.	Ranjitpura Infrastructure Private Limited Bharat Mines&Minerals
C.	Other related parties	JSW Steel Limited JSW Cement Limited Ennore Coal Terminal Private Limited South West Mining Limited Everbest Consultancy Services Private Limited JSW Foundation Adarsh Advisory Services Private Limited Bhushan Power & Steel Limited JSW Shipping & Logistics Private Limited JSW Structural Metal Decking Limited JSW Ispat Special Products Limited Mangalore Coal Terminal Private Limited JSW Minerals Trading Pvt Limited JSW Energy Limited South West Port Limited JSW Techno Projects Private Limited JSW International Tradecorp Pte Limited JSW Infrastructure Limited
D.	Key Management Personnel (KMP)	
	Non-Executive Director	Mr. Dinesh Kumar Singhi. Mr.Pawan kedia
	Whole Time Director, CEO & Chairman	Mr. Vimal Singh
	Executive Director & CFO	Mr. V.V.V Raju
	Whole Time Director	Mr. Rajendra Moondra
	Independent Directors	Mr. Krishna Desika Mrs. Rakhi Jain
	Company Secretary	Ms. Swetha S
E.	Post-employment benefits entities	BMM Ispat Limited Employees Group Gratuity Assurance Scheme







I. Transactions with related parties ₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Sale of goods								
JSW Steel Limited	-	-	-	-	45,876.54	34,460.35	45,876.54	34,460.35
Bhushan Power & Steel Limited	-	-	-	-	-	602.59	-	602.59
Other income(Dispatch money received)								
JSW International Tradecorp Pte Limited	-	-	-	-	17.47	5.24	17.47	5.24
Recovery of expenses								
JSW Steel Limited	-	-	-	-	-	2.00	-	2.00
Mangalore Coal Terminal Pvt Ltd					1.30	-	1.30	-
Sale of Capital Assets								
Ranjitpura Infrastructure Private Limited	-	-	57.34	-		-	57.34	-
Purchase of goods/services								
JSW Steel Limited	-	-	-	-	9,400.47	17,451.32	9,400.47	17,451.32
JSW Cement Limited	-	-	-	-	737.47	546.91	737.47	546.91
South West Port Limited	-	-	-	-	13.19	119.49	13.19	119.49
JSW International Tradecorp Pte Limited	-	-	-	-	46,054.85	10,299.67	46,054.85	10,299.67
Ennore Coal Terminal Private Limited	-	-	-	-	1,052.41	2,010.58	1,052.41	2,010.58
Everbest Consultancy Services Private Limited	-	-	-	-	45.15	32.74	45.15	32.74
Mr. Dinesh Kumar Singhi	-	-	-	-	81.09	78.71	81.09	78.71
JSW Ispat Special Products Limited	-	-	-	-	-	2,124.86	-	2,124.86
JSW Minerals Trading Private Limited	-	-	-	-	-	12,900.40	-	12,900.40
JSW Infrastructure Limited	-	-	-	-	13.80	207.80	13.80	207.80
JSW Energy Limited	-	-	-	-	980.73	701.25	980.73	701.25
Mangalore Coal Terminal Private Limited	-	-	-	-	2,155.10	368.83	2,155.10	368.83
Ranjitpura Infrastructure Pvt Ltd	-	-	5,900.59	-	-		5,900.59	-
Bharat Mines&Minerals	-	-	143.34	-	-		143.34	-
JSW Steel coated products Limited	-	-	-	-	398.84		398.84	-
JSW Structural Metal Decking Limited	-	-	-	-	40.16		40.16	-
JSW Paints Pvt Ltd				-	5.40		5.40	-
Reimbursement of expenses								
Mr. Dinesh Kumar Singhi	-	-		-		0.20		0.20

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CSR Expenses								
JSW Foundation	-	-		-	1,532.53	796.17	1,532.53	796.17
Interest income								
South West Mining Limited	-	-		-	240.60	323.75	240.60	323.75
Everbest Consultancy Services Private Limited	-	-		-	639.23	760.00	639.23	760.00
Adarsh Advisory Services Private Limited	-	-		-	1,042.53	1,187.50	1,042.53	1,187.50
Ranjitpura Infrastructure Private Limited	-	-	125.52	98.25		-	125.52	98.25
Interest expense								
JSW Projects Limited	-	-		-		-	-	-
Loans given to								-
South West Mining Limited	-	-		-		-	-	-
Adarsh Advisory Services Private Limited	-	-		-		-	-	-
JSW Shipping & Logistics Private Limited	-	-		-		-	-	-
Ranjitpura Infrastructure Private Limited	-	-	-	1,500.00		-	-	1,500.00
Loans given to and repaid during the year								
South West Mining Limited	-	-	-	-	3,500.00	-	3,500.00	-
Adarsh Advisory Services Private Limited			-		12,500.00		12,500.00	-
Everbest Consultancy Services Private Limited			-		8,000.00		8,000.00	-
Ranjitpura Infrastructure Pvt Ltd			1,500.00		-		1,500.00	-
Total Amount	**-**	**-**	**7,726.79**	**1,598.25**	**1,34,328.88**	**84,980.36**	**1,42,055.67**	**86,578.61**







II. Amount due to / from related parties

₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Trade payables								
JSW Cement Limited	-	-		-	24.24	24.53	24.24	24.53
JSW Steel Limited					144.01		144.01	-
Everbest Consultancy Services Private Limited	-	-		-	5.52	1.95	5.52	1.95
Mangalore Coal Terminal Private Limited	-	-		-	609.61	0.02	609.61	0.02
South West Port Limited					1.92		1.92	-
Creditor for expenses								
Mr. Dinesh Kumar Singhi	-	-		-	6.55	6.00	6.55	6.00
Revenue advances								
JSW Steel Limited	-	-		-	196.23	508.02	196.23	508.02
Ranjitpura Infrastructure Pvt Ltd	-	-	85.09	-	-	-	85.09	-
JSW International Tradecorp Pte Ltd,					10.88		10.88	-
Capital advances								
JSW Steel Coated Products Limited					24.57		24.57	-
JSW Structural Metal Decking Limited					0.00		0.00	-
JSW Steel Limited					80.63		80.63	-
Trade receivables								
JSW Steel Limited	-	-		-	6,949.63	4,766.86	6,949.63	4,766.86
Bhushan Power and Steel Limited	-	-		-		-	-	-
JSW Cement Limited	-	-		-		-	-	-
Loan and advances given								
South West Mining Limited	-	-		-		3,500.00	-	3,500.00
Everbest Consultancy Services Private Limited	-	-		-		8,000.00	-	8,000.00
Adarsh Advisory Services Private Limited	-	-		-		12,500.00	-	12,500.00
Ranjitpura Infrastructure Private limited	-	-		1,500.00		-	-	1,500.00
Interest receivable								
Everbest Consultancy Services Private Limited	-	-		-		168.66	-	168.66
Adarsh Advisory Services Private Limited	-	-		-		263.53	-	263.53
Ranjitpura Infrastructure Private limited	-	-		88.43		-	-	88.43
Rental deposit								
Mr. Dinesh Kumar Singhi	-	-		-		40.00	-	40.00

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III. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (BMM Ispat Limited employees group gratuity assurance scheme). During the year, the company contributed ₹ 134.38 lakhs (31 March 2023: ₹ 118.10 lakhs). The fair value of plan assets as at 31 March 2024 is ₹ 1,514.64 lakhs (31 March 2023: ₹ 1,366.15 lakhs).

IV. Compensation to key management personnel

₹ in lakhs

Particulars	**31 March 2024**	**31 March 2023**
Short-term employee benefits	373.07	328.67
Total compensation to key managerial personnel	**373.07**	**328.67**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

2. The Independent Non-Executive Directors along with one Non-Executive Director are paid remuneration by way of sitting fees. The sitting fees payable to the Directors are based on the number of meetings of the Board, its Committees attended by them as Member or as Invitee. The Company pays sitting fees at the rate of ₹ 0.50 lakhs for each meeting of the Board, ₹ 0.20 lakhs for each meeting of the Board's Committees and ₹ 0.20 lakhs for Independent Non-Executive Director for attending the Independent Directors' meeting. The Company paid an amount of ₹ 16.30 lakhs as on 31 March 2024 (31 March 2023: ₹ 16.30 lakhs), which is not included above







45 The following are the analytical ratios for the year ended 31 March 2024 and 31 March 2023.

S NO	Particulars	Numarator	Demonimator	31 March 2024	31 March 2023	Variance	Variance (%)	Reasons for Variance
(i)	Current Ratio	Current Assets	Current Liabilities	1.30	2.42	(1.12)	-46%	(a)
(ii)	Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.17	0.18	(0.01)	-5%	
(iii)	Debt service coverage ratio	Earnings available for Debt Service	Debt Serivce	2.02	2.28	(0.26)	-11%	
(iv)	Return on Equity Ratio	Net Profit after Taxes	Shareholder's Equity	3%	4%	-1%	-28%	(b)
(v)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.82	8.49	(3.67)	-43%	(c)
(vi)	Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	45.46	54.30	(8.84)	-16%	
(vii)	Trade payables turnover ratio	Purchases	Average Trade Payables	16.32	31.23	(14.91)	-48%	(d)
(viii)	Net Capital turnover ratio	Revenue	Working Capital	14.44	5.22	9.22	177%	(a)
(ix)	Net Profit Ratio	Net Profit after tax	Revenue from operations	3.16%	3.35%	0%	-6%	
(x)	Return on Capital Employed	Earning Before Interest and Taxes	Captail Employed	4.86%	6.48%	-2%	-25%	(b)
(xi)	Return on Investments	Not Applicable*						

* The company does not have any investments during the year / previous year

(a)	During the FY 2023-24, the company has withdrawn its Fixed Deposits and Inter Corporate Deposits for meeting the on-going capital expenditure towards its Blast Furnace Project & its ancillaries.
(b)	During the FY 2023-24, the margins are comedown for various products as compared to previous FY 2022-23.
(c)	During the FY 2023-24, due to sluggish market & fall in selling prices, the finished goods inventory has increased compared to previous year.
(d)	During the FY 2023-24, dues to Iron Ore & Coal suppliers increased compared to previous year due to liquidation of finished goods.

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46 During the year the company has changed the accounting software from Microsoft Navision to SAP effective from 01st Feb 2024.

47 The Company received Environmental Clearance (EC) on 20.07.2023 for steel plant expansion from Ministry of Environment, Forest and Climate Change (MoEFCC), mandating the Company to spend Rs. 8000 lakhs over a period of 3 years on public interest activities such as health, education, environment, water, infrastructure, and livelihood. Additionally, the company is also required to adopt 5 villages with in a period of 10 years at a cost of Rs. 3000 lakhs.
The Company has requested MoEFCC vide its letter dated 20.12.2023, to reduce the total expenditure of Rs.11000 lakhs to Rs. 5000 lakhs and will be spent on right earnest pro-rata basis over the project's implementation and commissioning period of 7-10 years. No provision for the expenditure is currently made in the financial statements as on 31.03.2024.

48 The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from April 01, 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the year the Company used Micrsoft Navision upto 31.01.2024 & SAP from 01.02.2024 as a accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility.

The audit trail features was enabled and operative throughout the financial year for the transactions recorded in the software impacting books of account at application level.

49 Change in method of Valuation of Raw-materials & Finished Goods:

There is a change in method of valuation of inventories from 01.02.2024, due to implementation of new ERP system i.e. SAP. As a result of which, Iron ore and Coal are being valued using specific identification method and other Inventories are being valued at monthly weighted average cost method, which were earlier valued on FIFO basis. The company has applied the said changes prospectively, as retrospective application is impracticable, due to extensive volume of purchases and numerous inventory items across the year and prior periods. Due to numerious items of inventory, the effect of change in the method of valuation is not determinable

50 Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

51 Other statutory information:

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

iv) The Company does not have any subsidiaries, associates and joint ventures.

v) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

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

vii) Quarterly returns filed by the Company with banks are in agreement with the books of accounts.

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viii) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

ix) The Company does not have any transactions with companies which are struck off.

For and on behalf of the Board of Directors

V.V.V. RAJU	**VIMAL SINGH**	**SWETHA S**
Exe. Director & CFO	Whole Time Director & CEO	Company Secretary
DIN: 07303177	DIN: 08059827	M. No:F11494
Place: Danapura	Place: Danapura	Place: Danapura
Date: 28-05-2024	Date: 28-05-2024	Date: 28-05-2024

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Notes to financial statements for the year ended 31 March 2024

1. Corporate Information

BMM Ispat Limited (formerly known as B.M.M. Ispat Limited) ("the company") is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The company is in the business of manufacturing and selling of steel & allied products and generation of power. The Company has its registered office and manufacturing facilities located at 114 Danapura Village, Hospete Taluk, Vijayanagara (formerly known as Ballari) District of Karnataka, India.

2. Material Accounting Policies

a. Statement of compliance

These Financial Statements have been prepared in accordance with the accounting policies generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under 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) and presentation requirement of Division II of Schedule III of the Companies Act 2013.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 28 May 2024.

b. Basis of preparation and presentation of financial statements

The Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial instruments measured at fair values at the end of each reporting period, as stated in the accounting policies

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set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Fair value is the price that would be received to sell an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. 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

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described below. The fair value hierarchy gives the highest priority to quoted prices







in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement dates;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. Current / Non – current Classification

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

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services



and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. Summary of material accounting policies

I. Revenue recognition

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

Revenue from sale of by products are included in revenue.

The Company recognises revenue generally at the point in time when the products are delivered to customer which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

a. Contract assets including trade receivables

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.

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

b. Contract Liabilities

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

c. Refund liabilities

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

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).







II. Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment, except freehold/leasehold land, held for use in the production, supply or administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

PPE value lessthan ₹ 0.05 lakhs charges to profit & loss account.

The cost of an item of property, plant and equipment comprises of its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these 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 derecognised when replaced. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.







Capital work in progress and Capital advances:

Cost of asset not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress and is carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current assets.

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation

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



Class of assets	Years
Plant and Machinery of Rolling Mill	20 Years
Plant and Machinery of Oxygen plant	25 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 01 April 2019 and all leases are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The company reviews residual values, useful life and depreciation method annually and, if expectations differ previous estimate, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss. Fully depreciated assets still in use are retained in financial statements.



III. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Expenditure on development is also charged to the Statement of Profit and Loss unless the technical feasibility has been established, in which case such expenditure is capitalized. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

For transition to Ind AS, the Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

Amortization:

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

Class of assets	Years
Computer Software	03 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from

previous estimates, such change is accounted for as a change in an accounting estimate on a prospective basis.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

IV. Borrowing Costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

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V. Government grants and subsidies

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

VI. Foreign Currency Translation

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

Initial Recognition:

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

Measurement of foreign currency items at reporting date:

At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured at fair

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value in a foreign currency, are retranslated at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are not retranslated.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

VII. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably



certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

VIII. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, assets that are subject to depreciation and amortization are reviewed for impairment, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset

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is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss and included in depreciation and amortization expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

IX. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and

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actions required to complete such sale indicate that it is unlikely that significant change to the plan to sell will be made or that the decision to sell will be withdrawn. Further, the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortized.

X. Inventories

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

Cost of raw materials includes all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the raw materials to their present location and condition.

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

Costs of inventories are determined on Weighted Average cost for FY 2023-24 (FIFO for FY 2022-23) except in case of Iron & Coal (Bulk Raw-materials) Specific Identification method is followed. Change in accounting method is due to implementation of SAP ERP in FY23-24.

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

All the other products (by-products & scrap) are valued at Net Realizable value.

XI. Income taxes

Tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax:

Current tax is measured at the amount of tax expected to be payable on the taxable profit for the year as determined in accordance with the tax rates that have been enacted by the end of reporting period and the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is recognised using the Balance Sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to

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allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized outside profit or loss, in which case, the current and deferred tax income/expense are recognized either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

XII. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIII. Employee benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

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The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

The company operates two defined benefit plans for its employees, viz., Gratuity and leave benefits. The Company contributes to Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India towards meeting the Gratuity obligation. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary, payable for each completed year of service or part thereof subject to the maximum of ₹ 20.00 lakhs and vesting occurs upon completion of five years of service.

Recognition and measurement of Defined Benefit plans:

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:



- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- net interest expense or income and
- re-measurement.

The company presents the first two components of defined benefit costs in the statement of profit or loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for a past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other Long Term Employee benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.



XIV. Events after reporting date

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

XV. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVI. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash and cheques in hand, bank balances, and short-term deposits with banks where the original maturity is three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.







XVII. Segment reporting

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

XVIII. 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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Initial measurement

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

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

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

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

A) Financial Assets:

Recognition:

i. The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

ii. The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

Subsequent measurement

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

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

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

i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and







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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 Statement of Profit and Loss, 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 Statement of Profit and Loss.







All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets:

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

i. The contractual rights to cash flows from the financial asset expires;
ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more



recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.



Impairment:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over

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the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed by taking into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.







Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

B) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

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- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw



materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognized as deferred payment liabilities.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

C) Derivative financial instruments and Hedge accounting

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and







as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition:

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

D) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.







Original classification	Revised classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.







3. Key sources of estimation uncertainty and critical accounting judgments

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Key sources of estimation uncertainty

a. Useful lives of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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c. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits are probable.

d. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

e. Income Taxes

In accordance with IND AS 12 Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f. Allowance for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use







of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g. Allowance for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that no allowance for obsolete and slow-moving inventories need to be made in the financial statements.







BMM ISPAT LIMITED

(CIN: U13100KA2002PLC030365)

23RD ANNUAL REPORT

FY: 2024-25

CONTENTS

Annual Report - FY 2024-25

Particulars	Page No.
Corporate Information	1
Directors' Report & Annexure thereof	2 to 32
Independent Auditors' Report on Financial Statements	33 to 44
Balance Sheet	45
Statement of Profit & Loss Account	46
Statement of Changes in Equity	47
Statement of Cash Flow	48 to 50
Notes to Financial Statements	51 to 126

CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Dinesh Kumar Singhi - Director
- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mr. Pawan Kumar Kedia - Director
- Mr. Krishna Deshika - Independent Director
- Dr. Rakhi Jain - Independent Director

KEY MANAGERIAL PERSONNEL

- Mr. Vimal Singh - Whole Time Director & CEO
- Mr. VVV Raju - Executive Director & CFO
- Mr. Rajendra Moondra - Whole Time Director
- Mrs. Swetha S - Company Secretary

STATUTORY AUDITORS

M/s Shah Gupta & Co.,
Chartered Accountants, Mumbai
(Firm Registration No. 109574W)

INTERNAL AUDITORS

Mr. Mallipudi Ome Venkata Sai Pavan Kumar
Chartered Accountant
(Memb. No.: 240906)

SECRETARIAL AUDITORS

M/s JKS & Co,
Company Secretaries, Bengaluru
(Firm Unique Code No.: P2015KR040800)

COST AUDITORS

M/s GNV & Associates, Cost & Management Accountants,
Bengaluru (Firm Registration No.: 000150)

REGISTER & SHARE TRANSFER AGENT

M/s BgSE Financials Limited,
Stock Exchange Towers,
No.51, 1st Cross, JC Road,
Bengaluru, Karnataka – 560027,
Tele No. 080-41329661;
Email Id: rta_admin@bfsl.co.in.

BANKERS: ICICI Bank Limited
IndusInd Bank Limited

REGISTERED OFFICE & PLANT LOCATION

114, Danapura Village, Hobli
Mariyammanahalli Hosapete Taluq
Vijayanagara (Formerly known as Ballari)
District, Karnataka-583222

CORPORATE OFFICE

No.101, 1st Floor, Pride Elite
No.10, Museum Road
Bengaluru, Karnataka-560001

Directors' Report

To,

The Members,
BMM Ispat Limited

The Board of Directors present the Twenty-Third (23rd) Annual Report together with the Audited Financial Statements based on Indian Accounting Standards (Ind AS), for the year ended 31st March, 2025.

Financial Performance & Highlights of Operations

The performance of the Company as reflected by its Audited Accounts for the Financial Year ended 31st March, 2025 is summarized below:

₹ in lakhs

Particulars	As on 31st March, 2025	As on 31st March, 2024
Revenue from operations	3,10,181.15	2,87,661.90
Other Income	959.74	3,895.64
Profit / (Loss) before Depreciation, Finance Costs and Tax Expense	1,489.36	27,386.08
Less: Depreciation & Amortization	11,572.13	10,884.86
Profit / (Loss) before Finance Costs, and Tax Expense	(10,082.77)	16,501.22
Less: Finance Cost	5,097.14	3,674.40
Profit / (Loss) Before Tax Expense	(15,179.91)	12,826.82
Less: Tax Expense *(Deferred Tax)*	(3,508.41)	3,723.37
Profit / (Loss) for the year (1)	(11,671.50)	9,103.45
Total Comprehensive Income/(Loss) (2)	(120.35)	(14.49)
Total (1+2)	(11,791.85)	9,088.96
Balance of profit/(loss) for earlier years	1,92,113.47	1,83,024.51
Balance carried forward	1,80,321.62	1,92,113.47

Key highlights of performance – FY 2024-25

- Total Income for the current financial year is ₹ 3,11,140.89 lakhs as against ₹ 2,91,557.54 lakhs of previous year, increased by 7%.
- EBITDA for the current financial year is ₹ 1,489.36 lakhs as against ₹ 27,386.08 lakhs of previous year, declined by 95%
- Profit Before Tax for the current financial year is ₹ (15,179.91) lakhs as against ₹ 12,826.82 lakhs of previous year, declined by 218 %
- Profit After Tax for the current financial year is ₹ (11,671.50) lakhs as against ₹ 9,103.45 lakhs of previous year, declined by 228%
- During the year under review,
  - Beneficiated ore production was 22,09,882 MT (Metric Tonnes) compared to 20,79,538 MT in the previous year, up by 6 %;
  - Pellet production was 19,81,651 MT compared to 18,52,347 MT in the previous year, up by 7%;
  - Sponge iron production was 6,97,096 MT compared to 6,84,342 MT in the previous year, up by 0.42 %;
  - Billet (IF Route) production was 75,695 MT against 1,26,123 MT in the previous year, down by 40%
  - TMT (Induction Furnace Route) production from Rolling Mill was 67,498 MT compared to 97,721 MT in the previous year, down by 30%;
  - Power generation during the year was 524 MU (Million Units) against 408 MU in previous year, up by 29%.
  - Net Hot metal production during the year was 1,32,363 MT
  - Pig Iron production during the year was 24,677 MT
  - Billet (Steel Melting Shop Route) production during the year was 1,02,539 MT
  - TMT (Steel Melting Shop Route) production during the year was 55,811 MT

Dividend

The Board of Directors of the Company has not recommended any dividend for the year under review.

Reserves

During the year, no amount has been transferred or proposed to be transferred into any reserve account.

State of affairs of the Company

With a strategic focus on improving the viability of Steel Melting Shop (SMS) and Merchant Bar Mill, the Company had initiated 0.88 MTPA Blast Furnace project with a total CAPEX of ₹ 1,20,000 lakhs, including the cost of commission of the other existing non-operating units. Accordingly, the Company has successfully commissioned its Blast Furnace Project on 22nd November, 2024 and existing integrated steel plants are in operation.

Awards

The Company has obtained following awards:

1. Received award –"GMF Golden Petal - Diamond in Safety" by Green Maple Foundation during June, 2024
2. Received award –"GMF Golden Petal - Platinum in Occupational Health & Safety" by Green Maple Foundation during June, 2024
3. During August, 2024 received Quality circle award at 38th CII Karnataka State Level competition as below:
   - For Raw Material Handling System - Best Visual
   - Direct Reduced Iron- Best Team
   - Rolling Mill- Consolation Prize &
   - Captive Power Plant - Best Tools.
4. Received award –"Gold Award - SAFETY EXCELLENCE" by Green Enviro Foundation., during January, 2025.
5. Received "Second Place Award for Best Mega Industries" at BKRISE SAFETY AWARDS organised by Department of Factories and Boilers for the Year 2024-25

General Information

During the financial year, the Company continued experiencing the contraction phase of the business cycle, caused due to various market factors. However, better opportunities and returns are foreseen in future.

The Company is serving at its best to meet the stakeholders' requirements. The Company has also set-up quality standards to satisfy its customers' requirements and prompt attempts are given to resolve customers' grievances, if any, with an intention to resolve them as soon as feasible.

The Company's orientation is also on environment protection and sustainability. The Company has a Captive Power Plant set-up to generate power from waste heat gases generated in Sponge Iron Plant with an intention of reuse energy prudently and to reduce the emission of waste gases into the environment. Post commissioning of the Blast Furnace Plant, BF gas is getting consumed for Stoves, Pulveriser Coal Injection (PCI), Ladle heating, Pellet Plants, Reheating Furnace of Merchant Bar Mill and Power Plant.

Details of Holding/Subsidiary/Associate Companies/Joint Ventures:

The Company did not have any Subsidiary Company/Associate Company/Joint Venture during the financial year and till the date of this report. Thus, the preparation of consolidated financial statements are not applicable for the financial year under review.

The Company is a subsidiary of JSW Projects Limited, which holds 58.47% in the equity share capital of the Company.

Material changes and commitments, affecting the financial position of the company since the end of the Year and till the date of the report:

There are no material changes and commitments, affecting the financial position of the Company, that have occurred since the end of the Year and till the date of the report.

Change in the nature of business

There were no changes in the nature of business of the Company during the period under review.

Share Capital and Debt Structure

The Authorised Share Capital of the Company as on 31st March, 2025 is ₹ 1,00,000 lakhs comprising of 1,00,00,00,000 equity shares of ₹ 10 each. During the financial year there was change in Authorised Share capital. The Shareholders in their 1/2024-25 Extra-Ordinary General meeting held on 11th March, 2025 has increase the authorised share capital from ₹ 30,000 lakhs comprising of 30,00,00,000 equity shares of ₹ 10 each to ₹ 1,00,000 lakhs comprising of 1,00,00,00,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up equity share capital of the Company as on 31st March, 2025 is ₹ 25,709.87 lakhs, comprising of 25,70,98,746 equity shares of ₹10 each. During the financial year there was no change in issued, subscribed and Paid-up Share capital.

Details of Debenture as on 31st March, 2025:

Particulars	No. of Debentures as on 1st April, 2024	No. of Debentures issued during the year	No. of Debentures redeemed during the year	No. of Debentures as on 31st March, 2025
Series A Fully and Compulsorily Convertible Debentures of ₹10 each	23,85,30,953	---	---	23,85,30,953
Series B Fully and Compulsorily Convertible Debentures of ₹10 each	24,83,66,278	---	---	24,83,66,278
Series C Fully and Compulsorily Convertible Debentures of ₹10 each	11,11,43,410	---	---	11,11,43,410

Apart from the above, the Company has not issued any other securities nor has issued any shares with differential voting rights nor granted stock options nor sweat equity nor issued bonus shares or warrants

or bonds nor converted any securities. There were no shares held in trust for the benefit of employees, where the voting right are not exercised directly by the employees. The Company has not bought back any of its securities during the period under review.

Investor Education and Protection Fund (IEPF)

No amount/shares were required to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year, under review.

Deposits

The Company has not accepted any deposits within the meaning of Section 73 to Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. There was no loan taken from the Directors, during the financial year.

Particulars of loans, guarantees or investments under Section 186

There were no new loans given during the year. However, the Company has given unsecured loans to the following Company under the provisions of Section 186 of Companies Act, 2013 and the outstanding amount as on 31st March, 2025 is provided below:*

(₹ in lakhs)

Name of the Borrower	Principal amount	Accrued interest	Total outstanding as on 31st March, 2025
Capiqal Consultancy Services Private Limited (Formerly known as Laxmipati Management Services Private Limited)	1,100.00	(563.25)	1,100.00

* Kindly refer note No. 7 to the notes to Financial Statements.

No guarantees or securities, as specified under Section 186 of the Companies Act, 2013, were provided by the Company, during the financial year under review.

The Company has not made investments in any securities during the year under review.

Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, nature of its business and complexity of its operations. Internal Financial Controls are adequate with reference to the Financial Statements and are operating effectively. Internal Auditor of the Company reports to the Audit Committee. The Internal Auditor and the Audit Committee are responsible for monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the evaluation and the reports submitted by the Internal Auditor, corrective actions in the respective areas are taken, thereby

strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

Risk Management

The Company has laid down a well-defined risk management mechanism to mitigate the risks and has also adopted a policy in this regard in line with the requirement of the Companies Act, 2013. The said policy inter-alia covers identification and access to the key risk areas and monitors the areas in order to take corrective measure at appropriate time. The overall objective is to improve awareness of the Company's risk exposure and appropriately manage it.

Vigil Mechanism

The Vigil (Whistle Blower) Mechanism intends to provide a platform to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy.

The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail the mechanism and also provide for direct access to the Chairman of the Board/ the Chairman of the Audit Committee, in exceptional cases.

The Policy on Vigil Mechanism may be accessed on the Company's website at the link: http://bmm.in/media-center/corporate-governance/

Related Party Transactions

The details of transactions, arrangements, and contracts entered into by the Company under Section 188(1) of the Companies Act, 2013 during the financial year under review are disclosed in Form AOC-2, which is annexed as **Annexure II** to this report.

The disclosure of transactions with related parties that took place during the financial year, as per Ind AS-24 are given in Notes to financial statements (Note no. 44 attached to the financial statements as at 31st March, 2025).

Corporate Social Responsibility Initiatives

The provision of Section 135 of the Companies Act, 2013 are applicable to the Company for the financial year. The Annual Report on CSR activities is annexed herewith as **Annexure I**.

Directors and Key Managerial Personnel

The Board of Directors of the Company as on 31st March, 2025:

i. Mr. Dinesh Kumar Singhi -Director (DIN: 00208064)
ii. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
iii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iv. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
v. Mr. Pawan Kumar Kedia – Director (DIN: 00020570)
vi. Mr. Krishna Deshika - Independent Director (DIN: 00019307)
vii. Dr. Rakhi Jain - Independent Director (DIN: 07138042)

Key Managerial Personnel of the Company as on 31st March, 2025:

i. Mr. Vimal Singh - Whole Time Director & Chief Executive Officer (DIN: 08059827)
ii. Mr. VVV Raju - Executive Director & Chief Financial Officer (DIN: 07303177)
iii. Mr. Rajendra Moondra - Whole Time Director (DIN: 08936206)
iv. Mrs. Swetha S - Company Secretary (Memb. No.: F11494)

In terms of provision of Section 152(6) of the Companies Act, 2013 Mr. Dinesh Kumar Singhi, Director (DIN: 00208064) and Mr. Pawan Kumar Kedia, Director (DIN: 00020570) are liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment.

In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, both the Independent Directors of the Company have enrolled themselves on the Independent Directors Databank. Mr. Krishna Deshika and Dr. Rakhi Jain are exempt from self-assessment test under the aforesaid Rules. Independent Directors of the Company are the persons of high integrity, expertise and experience, and qualify to be Independent Director.

As per the provisions of Section 149 read with the Rules made thereunder, the Company has Dr. Rakhi Jain, as Women Director on the Board.

Policy on Directors' Appointment and Remuneration

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

The current policy is to have a balanced mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. There was no change made to the policies during the financial year.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under Sub-

Section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

The policy on Directors' appointment and remuneration is available at the Company's web link http://bmm.in/media-center/corporate-governance/

The Shareholders in their 1/2025-26 Extra-Ordinary General Meeting held on 7th May, 2025, in accordance with the provision of Section 197(10) of the Companies Act, 2013, have ratified and confirmed the waiver of recovery of remuneration paid to all the Executive Directors, for FY 2024-25.

Declaration by Independent Directors

Both the Independent Directors have submitted their disclosure to the Board stating that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify themselves to be Independent Directors under the provisions of the Companies Act, 2013 and the rules made thereunder.

The Independent Directors have complied with the code for Independent Directors, prescribed under Schedule IV of the Act.

Code of Conduct

The Board of Directors has approved the code of conduct of the Board Members, Key Managerial Personnel & Senior Management Personnel. The code lays down the standard procedure of business conduct which is expected to be followed. All the Board Members, Key Managerial Personnel and Senior Management have complied with the code. All the staff were given appropriate training in this regard.

Board Evaluation

The Company has formulated a Policy for performance evaluation of Independent Directors, the Board, the Committees thereunder and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

In terms of the policy and pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the Directors (including the Independent Directors), individually, as well as evaluation of the working of its Audit, Corporate Social Responsibility and Nomination & Remuneration Committees. The evaluation process is derived from various factors including attendance and time spent in the Board and the Committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings. Annual performance evaluation is done through Evaluation forms containing various parameters to evaluate the performance of the Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and each Director (all the Executive and Non-Executive Directors).

Further, the performance evaluation of the Non- Independent Directors, the Board as a whole and Chairman of the Company was carried out by the Independent Directors, independently.

Meetings

During the year, the following meetings were duly held:

Sl. No	Five (5) Board Meetings	Five (5) Audit Committee Meetings	Two (2) Nomination & Remuneration Committee Meetings	Three (3) Corporate Social Responsibility Committee Meetings	One (1) Independent Director Meeting	Three (3) Finance Committee Meetings
1	28.05.2024	28.05.2024	28.05.2024	28.05.2024	27.03.2025	24.04.2024
2	30.07.2024	30.07.2024	30.07.2024	31.01.2025		06.09.2024
3	24.10.2024	24.10.2024		27.03.2025		27.11.2024
4	31.01.2025	31.01.2025				
5	27.03.2025	27.03.2025				

Audit Committee

As on 31st March, 2025 the Audit Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Rajendra Moondra (Whole Time Director) - Member.

There were no changes in the composition of the Audit Committee during the year.

Nomination & Remuneration Committee

As on 31st March, 2025 the Nomination and Remuneration Committee consisted of the following Members:

a) Mr. Krishna Deshika (Independent Director) - Chairman of the Committee
b) Dr. Rakhi Jain (Independent Director) - Member
c) Mr. Pawan Kumar Kedia (Director) - Member
d) Mr. Vimal Singh (Whole Time Director & CEO) - Member.

There were no changes in the composition of the Nomination & Remuneration Committee during the year.

Corporate Social Responsibility Committee

As on 31st March, 2025, the Corporate Social Responsibility Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO) - Chairman of the Committee
b) Mr. Rajendra Moondra (Whole Time Director) - Member
c) Mr. Krishna Deshika (Independent Director) - Member.

There were no changes in the composition of the Corporate Social Responsibility Committee during the year.

Finance Committee

As on 31st March, 2025, the Finance Committee consisted of the following Members:

a) Mr. Vimal Singh (Whole Time Director & CEO) - Chairman of the Committee
b) Mr. Dinesh Kumar Singhi (Non-Executive Director) - Member
c) Mr. VVV Raju (Executive Director & CFO) - Member
d) Mr. Rajendra Moondra (Executive Director) - Member.

There were no changes in the composition of the Finance Committee during the year.

Prevention of sexual harassment at workplaces

The Company has zero-tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

Further, the Company has duly constituted Internal Complaint Committee as required under the abovementioned Act and Rules made thereunder. For the financial year 2024-25, no case of sexual harassment was pending at the beginning, no case was received or disposed-off during the year nor was pending at the closure of the financial year.

Auditors and Auditor's Report
Statutory Auditor

Shareholders of the Company at 20th Annual General Meeting held on 29th July, 2022 have appointed M/s Shah Gupta & Co., Chartered Accountants, Mumbai (Firm Registration No.. 109574W) as Statutory Auditors of the Company to hold the office from the conclusion of the 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting to be held in the Financial Year 2027-28.

Auditor's Reports

The notes on financial statements referred to in the relevant Auditor's Reports are self-explanatory and do not call for any further comments. The Auditor's report does not contain any qualification, reservation or adverse remark. No frauds have been reported by the Auditors under Section 143 (12) of the Companies Act, 2013, requiring disclosure in the Board's Report.

Cost Auditor

The Board, on the recommendation of Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru (Firm Registration No.: 000150), to conduct the Cost Audit of the Company for Financial Year 2024-25 in their meeting held on 28th May, 2024 and their remuneration for the period has been approved by the shareholders in 22nd Annual General Meeting held on 30th July, 2024.

The Board, on the recommendation of the Audit Committee, has appointed M/s GNV & Associates, Cost & Management Accountants, from Bengaluru, to conduct the Cost Audit of the Company for Financial Year 2025-26 in their meeting held on 28th May, 2025 on remuneration of ₹1.65 lakhs plus applicable taxes and reimbursement of actual travel and out of pocket expenses. The remuneration is subject to the ratification of the Shareholders in terms of Section 148 of Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and is accordingly placed for your ratification.

Cost Records

The Cost Records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are applicable to the Company. Accordingly, such accounts and records are made and maintained during the year.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s JKS & Co., a firm of Company Secretaries in practice from Bengaluru (Firm Unique Code No: P2015KR0800), to undertake the Secretarial Audit of the Company. The Secretarial Auditor's report is attached as **Annexure V**. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board, at its meeting held on 28th May, 2025 has appointed M/s JKS & Co., Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2025-26.

Compliance with applicable Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards/amendments thereof, if any, notified by the Institute of Company Secretaries of India, from time to time.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure III.

Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at http://bmm.in/media-center/corporate-governance/

Revision of Financial Statements

The Company has not revised its financial statements or the Report in respect of any of the three preceding financial years, either voluntarily or in pursuant to any order of a judicial authority.

Particulars of employees and related disclosures

In terms of Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in this Report as Annexure IV.

Particulars of remuneration received by Managing Director and Whole Time Director from Holding and Subsidiary Company

No remuneration or commission has been received by Whole Time Director(s) of the Company from the Company's Holding Company or Subsidiary Company. However, the Company does not have Managing Director.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

However, Members' attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the Financial Statements as at 31st March, 2025, vide Note no. 37 & 38.

Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016

During the year under review, there were no applications filed against the Company nor were any applications pending under the provision of the Insolvency and Bankruptcy Code, 2016.

Directors' Responsibility Statement

Pursuant to the requirements under Section 134, Sub-Section 3(c) and Sub-Section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

(a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Government authorities, Lenders, Banks, Vendors, Customers and Shareholders during the period under review. Directors also wish to place on record their deep sense of appreciation for the services rendered by all the employees of the Company.

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2025

BMM ISPAT LTD. * DANAPUR *

VVV Raju	Vimal Singh
(Executive Director & CFO)	(Whole Time Director & CEO)
DIN: 07303177	DIN: 08059827

Annexure I to Directors' Report

THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2025

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company:

BMM believes in the philosophy that CSR is an integral part of the organisation and all CSR practices and programs are being comprehensively integrated with the business operations and processes of the organisation.

CSR Vision

CSR is an important culture for BMM that integrates social, environmental and ethical responsibilities into governance of businesses to ensure the long term success, competitiveness and sustainability.

CSR Mission

CSR is an endeavour to bring about an overall positive impact on the communities, cultures, societies and environment wherever BMM operates. BMM believes in the growth, which is combination of achievements, business expansion and commitment to the society.

CSR Activities

The focus areas where Community Development programmes would be taken-up are:

i. Eradicating hunger, poverty and malnutrition
ii. Promoting Health care including Preventive Health care and Sanitation
iii. Ensuring environmental sustainability and ecological balance
iv. Employment and livelihood enhancing vocational skills and projects
v. Promoting education
vi. Promoting gender equality and empowering women
vii. Rural Development Projects and slum area development
viii. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts
ix. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows
x. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

xi. Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women

xii. Disaster management, including relief, rehabilitation and reconstruction activities.

xiii. Such other activities as the Board may consider to be appropriate in accordance with the provisions of schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vimal Singh	Whole Time Director & CEO (Chairman of the Committee)	3	3
2.	Mr. Rajendra Moondra	Whole Time Director (Member of CSR Committee)	3	3
3.	Mr. Krishna Deshika	Independent Director (Member of CSR Committee)	3	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://bmm.in/media-center/corporate-governance/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. *NOT APPLICABLE*

5. (a) Average net profit of the Company as per Sub-Section(5) of Section 135: ₹ 32,589.87 lakhs
(b) Two percent of average net profit of the Company as per Sub-Section (5) of Section 135: ₹ 651.80 lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ 38.01 lakhs arisen during FY 2024-25. (₹4.52 lakhs is pertaining to interest earned on the amounts deposited in 'Unspent CSR account for the FY 2021-22' and ₹33.49 lakhs is pertaining to interest earned on the amounts deposited in 'Unspent CSR account for the FY 2022-23', which has/shall be spent towards CSR ongoing project of FY 2021-22 and FY 2022-23, respective).

(d) Amount required to be set-off for the financial year, if any: NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 651.80 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 477.46 lakhs
(b) Amount spent in Administrative Overheads: ₹ 32.59 lakhs
(c) Amount spent on Impact Assessment, if applicable: Nil
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 510.05 lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Sub-Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
510.05	141.75	17th April, 2025	Nil	Nil	Nil

(f) Excess amount for set-off, if any: Nil

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per Sub-Section (5) of Section 135	--
(ii)	Total amount spent for the Financial Year	--
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	--

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub-Section (6) of section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under Sub-Section (6) of Section 135 (₹ in lakhs)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of Transfer		
1	FY- 1 (2021-22)	279.20 (initially amount of FY 2021-22, transferred on 26.04.2022)	101.81*	106.33*	NA	NA	NIL	NA
2	FY- 2 (2022-23)	802.43 (initially amount of FY 2022-23, transferred on 25.04.2023)	598.58*	103.24	NA	NA	528.83**	NA
3	FY- 3 (2023-24)	472.16 (initially amount of FY 2023-24, transferred on 26.04.2024)	472.16	361.11	NA	NA	111.05	NA

* includes ₹ 4.52 Lakhs pertaining to surplus (interest earned) on amounts deposited in 'Unspent CSR account for the FY 2021-22' earned during FY 2024-25.

** includes ₹ 33.49 Lakhs pertaining to surplus (interest earned) on amounts deposited in 'Unspent CSR account for the FY 2022-23' earned during FY 2024-25.

* includes surplus (interest earned) amount earned in the earlier years.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

[ ] Yes [✓] No

If Yes, enter the number of Capital assets created/ acquired [ ]

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NIL

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount Spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Sub-Section (5) of Section 135. Not applicable.

VVV Raju Executive Director & CFO DIN: 07303177 Place: Danapura Date: 28.05.2025	Vimal Singh Chairman of CSR Committee DIN: 08059827 Place: Danapura Date: 28.05.2025

BMM ISPAT LTD. * DANAPUR *

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contracts or arrangements or transactions not at arm's length basis: NIL

Sl. No	Particulars
(a)	Name(s) of the related party and nature of relationship :
(b)	Nature of contracts/arrangements/transactions:
(c)	Duration of the contracts/arrangements/transactions:
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:
(e)	Justification for entering into such contracts or arrangements or transactions:
(f)	Date(s) of approval by the Board:
(g)	Amount paid as advances, if any:
(h)	Date on which the ordinary resolution was passed in general meeting as required under first proviso to Section 188:

Details of contracts or arrangements or transactions at arm's length basis

1)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Ranjitpura Infrastructure Private Limited Related party under Section 2(76)(iv) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to purchase beneficiated iron ore fines
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2024 to 31st March 2025
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- 2,40,532 MT of beneficiated iron ore fines purchased for an aggregate amount of ₹ 1,63,81.05 lakhs (including taxes) - Payment terms- on advance basis
(e)	Date of approval by the Audit	Audit Committee Approval: 20th March, 2024

	Committee and/or the Board:	Board approval: Not applicable as the transactions are at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 1,63,81.05 lakhs (including taxes)

2)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Ranjitpura Infrastructure Private Limited Related party under Section 2(76)(iv) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to purchase scrap
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2024 to 31st March 2025
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- 58.94 MT of scrap (MS scrap) for an aggregate amount of ₹ 23.30 lakhs (including taxes) - Payment terms- advance basis
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 20th March 2024 Board approval: Not applicable as the transactions are at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 23.30 lakhs (including taxes)

3)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	M/s. Bharat Mines & Minerals Related party under Section 2(76)(iii) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Contract/arrangement to avail service of rake loading of iron ore
(c)	Duration of the contracts/arrangements/transactions:	For 12 months w.e.f. 1st April 2024 to 31st March 2025
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- Material handling charges of ₹ 247.02 lakhs (including taxes) paid towards rake loading of iron ore of 2,48,283 MT. - Payment terms- advance basis
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 20th March 2024 Board approval: Not applicable as the transaction is at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	₹ 247.02 lakhs (including taxes)

4)

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship:	Mr. Dinesh Kumar Singhi Related party under Section 2(76)(i) of the Companies Act, 2013
(b)	Nature of contracts/arrangements/transactions:	Rental Agreement
(c)	Duration of the contracts/arrangements/transactions:	For 11 months with effect from 1st December, 2023 For 11 months with effect from 1st November, 2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	- To take on rent, carpet area of 3,281 sq. ft. of premises at 1st Floor of a multi-storied building located at No.101, 1st Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001 and carpet are of 1,380 Sq. Ft. locate at No.401, 4th Floor, Pride Elite, No.10, Museum Road, Bengaluru-560001 along with the 392 Sq. Ft. of car parking area in the basement of the said premises. Hence, 5053 Sq. Ft. - At monthly rent of ₹ 120/- per Sq. Ft. plus applicable taxes. Hence, paid ₹ 85.86 lakhs during the FY 2024-25 (including taxes)
(e)	Date of approval by the Audit Committee and/or the Board:	Audit Committee Approval: 27th October, 2023 and 24th October, 2024 Board approval: Not applicable as the transaction is at Arm's length and is in ordinary course of business.
(f)	Amount paid as advances, if any:	Rental Security Deposit: ₹ 40 lakhs (Interest free)

For and on behalf of the Board of Directors
BMM Ispat Limited

BMM ISPAT LTD. * DANAPUR *

Place: Danapura
Date: 28.05.2025

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. ENERGY CONSERVATION

The Company is continually improving its operational performance in all areas, like yield, plant utilization, minimizing waste and its utilization etc.,. Conscious efforts are put to reduce the consumption of fuel, power across all energy consuming facilities. The Energy consuming departments carrying out energy benchmarking with peers and adopting some of the relevant best practices. Energy conservation was taken up as a key improvement during the year:
1. Reducing wastage & minimizing the energy usage by optimizing the process parameters to achieve lower values of fuel / energy consumption.
2. Adopting various methods of recovery to tap unused fuel heat in various process exhausts & recovery systems.

i. Steps taken for Energy conservation:

1. Pellet Plant 1 & 2:

a) Achieved Annual Electrical Energy Saving of 482 MWH (Mega Watt Hour) through MV (Medium Voltage) Drive of PCI (Pulverize Coal Injection) System fan and LV VFD (Low Tension Variable Frequency Drive) & LT (Low Tension) Motor for ACF (Annular Cooler Fan)-2.

b) Achieved Electrical Energy Saving of 165 MWH changing PCI Mill interlock pressure which reduces one running hour of PCI system in a day.

c) Achieved Annual Electrical Energy Saving of 24 MWH by Installation of VFD (Variable Frequency Drive) for AGB (Additive Grinding Building) roots blower.

2. Power Plant 1 & 2:

a) Achieved Annual Electrical Energy Saving of 610 MWH by inhouse ACC (Air Cooled Condenser) bundle cleaning & optimizing ACC rpm in CPP Captive Power Plant)-1.

b) Achieved Annual Electrical Energy Saving of 16 MWH by upgradation of RO (Reverse Osmosis) system in WTP (Water Treatment Plant).

c) Achieved Annual Electrical Energy Saving of 173 MWH by installation of VFD for CEP (Condensate Extraction Pump) in Unit-1 of CPP-2

3. RMHD:

Achieved Annual Electrical Energy Saving of 29.4 MWH by installation of VFD for Coal impactor-2

4. Induction Furnace:

Achieved Annual Electrical Energy Saving of 20.3 MWH by installation of VFD for Cooling Tower Fan.

5. LED Implementation:

Achieved Annual Electrical Energy Saving of 297.3 MWH by replacing HPSV (High Pressure Sodium Vapor lamp) fitting with LED fittings of different ratings (Total 1232 fitting replaced).

ii. Steps taken for utilizing alternate sources of energy :

During the year, post commissioning of the Blast Furnace (BF) Plant, BF gas is being consumed for Stoves, Pulveriser Coal Injection (PCI), Ladle heating, Pellet Plants, Reheating Furnace of Merchant Bar Mill and Power Plant.

iii. The capital investment on energy conservation equipment: Nil

B. TECHNOLOGY ABSORPTION -

i. Major efforts made towards technology absorption- Nil
ii. The benefits derived like product improvement, cost reduction, product development or import substitution.- Nil
iii. Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

Details of Technology Imported	Technology Import from	Year of Import	Status Implementation / Absorption	Areas where absorption of Imported technology has not taken place, if any
NA	NA	NA	NA	NA

iv. Expenditure on Research &Development, if any

Sl. No	Particulars	Amount (₹ in lakhs)
a.	Capital	--
b.	Revenue	--
	Total	--

C. FOREIGN EXCHANGE EARNINGS/ OUTGO

Amount (₹ in lakhs)

Particulars	FY 2024-25	FY 2023-24
Earnings	--	--
Outgo	77,129.92	44,460.87

For and on behalf of the Board of Directors
BMM Ispat Limited

Place: Danapura
Date: 28.05.2025

BMM ISPAT LTD. * DANAPUR *

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

Annexure IV to Directors' Report

Statement Showing Particulars of Employees Pursuant to the Provisions of Section 197(12) of the Companies Act, 2013 Read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2025:

Sl. No	Name	Designation	Gross Remuneration received (₹ in lakhs)	Qualification	Total Experience, in years	Date of Employment	Age	Last Employer & Designation held	Nature of employment
1	Mr. Vimal Singh	Whole Time Director & Chief Executive Office	161.19 p.a	B.E (Mech.)	30 Years	27/10/2020	55 Years	Lead the team for integrated Steel Plant's Commissioning and Stabilization at JSW Ispat Special product Limited (currently merged with JSW Steel Limited)	Contractual
2	Mr. VVV Raju	Executive Director & Chief Financial Officer	200.85 p.a	Chartered Accountant and Cost Accountant	27 Years	15/10/2009	55 Years	Worked as Deputy General Manager (Accounts) with M/s Kalyani Gerdau Steels Ltd., Tadipatri	Contractual

Notes:

a. Gross Remuneration includes basic salary, allowance, provident fund and perquisites (wherever applicable)

b. All the employees have adequate experience to discharge the responsibility assigned to them.

c. There are no employees or directors, mentioned in above table, who holds more than 2% of the paid-up capital of the Company.

d. There are no employees of the Company who are relatives of any Director of the Company and are drawing remuneration.

e. The Shareholders in their 1/2025-26 Extra-Ordinary General Meeting held on 7th May, 2025, in accordance with the provision of Section 197(10) of the Companies Act, 2013, have ratified and confirmed the waiver of recovery of remuneration paid to all the Executive Directors, for FY 2024-25.

For and on behalf of the Board of Directors
BMM Ispat Limited

BMM ISPAT LTD. * DANAPUR *

Place: Danapura
Date: 28.05.2025

VVV Raju
(Executive Director & CFO)
DIN: 07303177

Vimal Singh
(Whole Time Director & CEO)
DIN: 08059827

JKS & Co.
Company Secretaries
E-003, Victoria Haven Patel Ram Reddy Road
Domlur 1st Stage Bangalore-560071
GSTIN/UIN: 29AALFJ1836A1ZI

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To,

The Members,

BMM Ispat Limited
114, DANAPUR VILLAGE, HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT, KARNATAKA
INDIA - 583222

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BMM Ispat Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and provided either as hard copies or scanned copies by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31/03/2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31/03/2025** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable to the Company);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (applicable only to the extent of Rule 9A of the companies [Prospectus and Allotment of Securities] Rules2014);

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(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (There were no FDI, ODI or ECB transactions during the period under review);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Not applicable to the Company);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company);

(vi) Other laws applicable to the company as per the representations made by the company.

As informed to us, the other laws and the corresponding rules thereof, specifically applicable to the Company are as under:

1. The Manufacture, Storage and import of Hazardous Chemical Rules, 1989
2. Hazardous and other Wastes (Management, Handling and Trans boundary Movement) Rules, 2016
3. The Indian Boilers Act, 1923 and rules/regulations made thereunder Indian Boiler Act / Boiler regulations 2010
4. The Factories Act,1948 and applicable rules made thereunder and The Factories (Karnataka Amendment) Act, 2023
5. The Electricity Act, 2003 and Indian Electricity Rules, 1956

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6. The Environment Protection Act, 1986
7. The Water (Prevention & Control of Pollution) Act, 1974
8. The Air (Prevention & Control of Pollution) Act, 1981
9. Bio Medical Waste (Management & Handling) Act 2016
10. Atomic Energy (Radiation Protection) rules 1996, 2004
11. Energy conservation act 2001,2007 and 2010 [Perform, Achieve and Trade] PAT Rules 2012, 2016 and 2018
12. Karnataka Electricity (Taxation) Rules 2014
13. KERC (Power procurement from Renewable sources) Regulations 2011 upto 9th amendment in 2022-Renewable purchase obligations (RPO)

We have also examined compliance with the applicable clauses of the following:

(i) Notified Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable (Not applicable to the Company);

Based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, in our opinion, adequate systems and processes and the control mechanism exist in the Company to monitor and ensure compliance and during the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc., mentioned above.

We further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws and applicable labour laws, by the Company has not been reviewed in detail in this Audit and the same has been subject to specific audits.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the period under review. There were no changes in the composition of the Board of Directors during the period under review

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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Majority decision is carried through and are captured and recorded in the minutes, while there were no dissenting views from members.

Based on the Compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has addressed/replied to notices issued under Specific Acts, wherever applicable.

We further report that during the audit period there were no specific events/Actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with letter of even date which is annexed as Annexure A and forms an integral part of this report

Place: Bengaluru
Date: 27th May, 2025
UDIN: F005548G000458264

For JKS & Co.

JKS & Co., Bengaluru, Company Secretaries

(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert. No. 1143/2021
Firm Unique Code No: P2015KR0800

JKS & Co.
Company Secretaries
E-003, Victoria Haven Patel Ram Reddy Road
Domlur 1st Stage Bangalore-560071
GSTIN/UIN: 29AALFJ1836A1ZI

Annexure A

To,

The Members
B.M.M. Ispat Limited
114, DANAPUR VILLAGE,
HOBLI MARRIAMANAHALLI
HOSPET TALUQ
BELLARY DISTRICT,
KARNATAKA
INDIA – 583222

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Bengaluru
Date: 27th May, 2025
UDIN: F005548G000458264

For JKS & Co.

JKS & Co. Bengaluru Company Secretaries

(CS Sumana Rao)
Partner
CP.No. 4854
FCS. 5548

Peer Review Cert. No. 1143/2021
Firm Unique Code No: P2015KR0800

38, Bombay Mutual Building,
2nd Floor, Dr. D. N. Road, Fort,
Mumbai - 400 001.

Tel. : +91(22) 2262 2000/2262 3000
Email : contact@shahgupta.com
Web : www.shahgupta.com

Shah Gupta & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of BMM ISPAT Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BMM ISPAT Limited** ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss (including other comprehensive loss), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "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 the 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, 2025, its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is no key audit matter to communicate in our report.

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 Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 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, total comprehensive loss, 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 statements 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is 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.

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 clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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.

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

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

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

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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section (3) of Section 143 of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, with reference to these financial statements refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:
      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 as at March 31, 2025 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, and

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

iv. Based on such audit procedures considered reasonable and appropriate in the circumstances,

a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

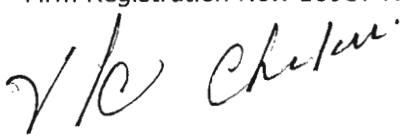
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the financial year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same was operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W





Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 25037606BMMBVG4623

Place: Mumbai
Date: May 28, 2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2025:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, 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 Note 4A to the financial statements, are held in the name of the Company except as mentioned below:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Leasehold Land	607.30	Karnataka Industrial Area Development Board	No	23-07-2019	Lease deed has expired and proposal for execution of Absolute Sale deed is in process.
Leasehold Land	40.46	Karnataka Industrial Area Development Board	No	17-05-2020	
Leasehold Land	42.14	Karnataka Industrial Area Development Board	No	27-12-2020	
Leasehold Land	60.92	Karnataka Industrial Area Development Board	No	20-10-2020	
Leasehold Land	149.98	Karnataka Industrial Area Development Board	No	27-06-2022	
Leasehold Land	4,882.40	Karnataka Industrial Area Development Board	No	05-07-2022	
Leasehold Land	1,170.89	Karnataka Industrial Area Development Board	No	06-11-2024	
Leasehold Land	425.31	Karnataka Industrial Area Development Board	No	26-02-2023	

(d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding Benami property under the Benami Transactions

(Prohibition) Act, 1988 and Rules made thereunder. Consequently, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. Quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets, in our opinion are in agreement with the unaudited books of account of the Company. The Company has not been sanctioned any working capital facility from financial institutions.

iii. During the year, the Company has granted unsecured loans to other parties, details of which are reported below and the Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnership during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

(a) (A) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable to the Company.

(B) Based on audit procedures carried on by us and as per the information & explanations given to us, the Company has granted unsecured loans to other parties as below:

(Rs. in lakhs)

Sr. No.	Loans (unsecured)	to other parties
(1)	Aggregate amount granted during the year	6.00
(2)	Balance outstanding as at balance sheet date	6.50

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the unsecured loans granted during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of overdue amount for more than ninety days in respect of loans is given below.

(Rs. in lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
1	1,100.00	563.25	1,663.25	As informed, the company has filed legal suit in NCLT Mumbai on 05.02.2025

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no loans or advance in the nature of loan granted, which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loan, provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not made any investments or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees' State Insurance, Income-Tax, Cess, Goods and Service Tax, Value Added Tax, Excise Duty, Custom Duty and other material statutory dues which have not been deposited as at March 31, 2025 on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	**Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	83.76	AY 2012-13	Commissioner of Income Tax Appeals, Bangalore
		4,628.11	AY 2016-17	Commissioner of Income Tax Appeals, Bangalore
		58.93	AY 2017-18	Commissioner of Income Tax Appeals, Bangalore
		998.85	AY 2021-22	Commissioner of Income Tax Appeals, Ballari
		738.80	AY 2022-23	Commissioner of Income Tax Appeals, Ballari
The Customs Act, 1962	Customs Duty	331.30	FY 2012-13	Larger Bench CESTAT, Chennai
		0.86	FY 2012-13	
		1,264.16	FY 2012-13	High Court of Mumbai

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

The Central Excise Act, 1944	Excise Duty	559.03	FY 2015-16	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
	Excise Duty	1.53	FY 2014-15	Commissioner of Central Tax (A), Belgaum.
Goa Rural Improvement and welfare Cess Act, 2000	Environment Cess	264.21	FY 2009-10	High Court of Bombay at Goa
		1,981.53	FY 2009-10, FY 2011-12 & FY 2014-17	
		1,048.94	FY 2014-18	
The Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013	Goa Green Cess	780.80	FY 14-15 to FY 23-24	High Court of Bombay at Goa
Goods & Service Tax Act 2017	GST	2,425.93	FY 17-18 to FY 19-20	Commissioner (Appeals), Belgavi
Panchayath Tax	Panchayath Tax	1,668.28	FY 23-24 & FY 24-25	Hon'ble High Court of Karnataka
Karnataka Electricity (Taxation on Consumption or Sale)Act, 1959	Electricity Tax	6,039.66	FY 14-15 to FY 24-25	Hon'ble High Court of Karnataka
** These amounts are net of amount paid/ adjusted under protest Rs. 2,367.54 lakhs.				

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the 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 a 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 given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the

Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Consequently, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and seven CIC's which are not required to be registered with the Reserve Bank of India, forming part of the promoter group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has incurred cash losses amounting to Rs. 2,960.33 lakhs during the financial year covered by our audit. However, the Company has not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation 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. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the previous financial year, to a Special account within a period of 30 days from the end of said financial year in compliance with the provisions of sub-section (6) of section 135 of the Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 25037606BMMBVG4623

Place: Mumbai
Date: May 28, 2025

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")
(The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting with reference to financial statements of **BMM ISPAT LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting with reference to these 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 25037606BMMBVG4623

Place: Mumbai
Date: May 28, 2025

BMM ISPAT LIMITED
BALANCE SHEET AS AT 31 MARCH 2025

₹ in lakhs

		Particulars	Notes	As at 31 March 2025	As at 31 March 2024
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, plant and equipment	4A	1,93,788.71	1,95,142.03
		(b) Capital work-in-progress	4B	1,17,097.42	92,283.10
		(c) Right-of-use assets	5	14,869.47	14,770.33
		(d) Other intangible assets	6	405.41	586.74
		(e) Financial assets			
		(i) Loans	7	4.09	2.00
		(ii) Other financial assets	8	400.46	397.99
		(f) Income tax assets (net)	10	4,448.02	4,128.49
		(g) Other non-current assets	11	3,046.38	3,219.56
		Total non-current assets		3,34,059.96	3,10,530.23
	2	**Current assets**			
		(a) Inventories	12	87,255.08	59,431.88
		(b) Financial assets			
		(i) Trade receivables	13	3,484.66	7,371.00
		(ii) Cash and cash equivalents	14	77.87	4,935.47
		(iii) Bank balances other than (ii) above	14	1,133.89	1,040.98
		(iv) Loans	7	1,102.41	1,527.76
		(v) Other financial assets	8	916.53	2,423.21
		(c) Other current assets	11	3,486.41	9,591.36
		Total current assets		97,456.85	86,321.66
		Total assets		4,31,516.81	3,96,851.89
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity share capital	15	25,709.87	25,709.87
		(b) Other equity	16	2,59,373.40	2,71,165.26
		Total equity		2,85,083.27	2,96,875.12
		Liabilities			
	2	**Non-current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	17	10,153.42	28,220.95
		(ii) Lease liabilities	5	15.72	23.70
		(b) Provisions	18	824.29	543.66
		(c) Deferred tax liabilities (net)	9	1,234.68	4,783.57
		Total non-current Liabilities		12,228.11	33,571.87
	3	**Current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	19	44,153.46	21,607.97
		(ii) Lease liabilities	5	7.98	58.58
		(iii) Trade payables			
		(A) Total outstanding dues of micro and small enterprises	20	4,908.85	3,654.00
		(B) Total outstanding dues of creditors other than micro and small enterprises		55,825.52	15,537.86
		(iv) Other financial liabilities	21	13,419.01	13,407.79
		(b) Provisions	18	119.11	80.04
		(c) Other current liabilities	22	15,771.50	12,058.66
		Total current liabilities		1,34,205.43	66,404.90
		Total liabilities		1,46,433.54	99,976.77
		Total equity and liabilities		4,31,516.81	3,96,851.89

See accompanying notes to the financial statements
In terms of our report attached

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606
Place: Mumbai
Date: 28-05-2025

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

BMM ISPAT LTD. DANAPUR

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177
Place: Danapura
Date: 28-05-2025

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827
Place: Danapura
Date: 28-05-2025

SWETHA S
Company Secretary
M. No:F11494
Place: Danapura
Date: 28-05-2025

BMM ISPAT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

₹ in lakhs, except per share data and as stated otherwise

	Particulars	Notes	31 March 2025	31 March 2024
I	Revenue from operations	23	3,10,181.15	2,87,661.90
II	Other income	24	959.74	3,895.64
III	**Total income (I+II)**		**3,11,140.89**	**2,91,557.54**
IV	**Expenses**			
	Cost of material consumed	25	2,70,157.72	2,43,584.52
	Changes in inventories of finished goods, stock in trade and work in progress	26	(15,435.23)	(22,979.38)
	Employee benefits expense	27	10,165.66	8,105.75
	Finance costs	28	5,097.14	3,674.40
	Depreciation and amortization expense	29	11,572.13	10,884.86
	Other expenses	30	44,763.38	35,460.57
	Total expenses		**3,26,320.80**	**2,78,730.72**
V	**Profit / (loss) before tax (III-IV)**		**(15,179.91)**	**12,826.82**
VI	**Tax expense**			
	Current tax		-	-
	Deferred tax	9	(3,508.41)	3,723.37
	Total tax expense		**(3,508.41)**	**3,723.37**
VII	**Profit / (loss) for the year (V-VI)**		**(11,671.50)**	**9,103.45**
VIII	**Other comprehensive income**			
	A. (i) Items that will not be reclassified to profit or loss :			
	a. Re-measurements of the defined benefit plans		(160.83)	(19.36)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		40.48	4.87
	Total other comprehensive income (net of taxes)		**(120.35)**	**(14.49)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(11,791.85)**	**9,088.96**
X	**Earnings per equity share of ₹ 10 each**	31		
	a. Basic (in ₹)		(4.54)	3.54
	b. Diluted (in ₹)		(1.36)	1.06

See accompanying notes to the financial statements

In terms of our report attached
For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2025

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS MUMBAI FRN: 109574W

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 28-05-2025

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2025

BMM ISPAT LTD. DANAPUR

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 28-05-2025

BMM ISPAT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

₹ in lakhs

Particulars	Equity share capital	Other equity				Total other equity	Total equity
		Reserves and surplus		Equity component of compulsory convertible debenture	Other comprehensive income/(loss) (OCI)		
		Securities premium account	Retained earnings		Equity instruments at fair value through OCI		
Opening balance as at 01 April 2023	**25,709.87**	**19,586.08**	**1,83,024.53**	**59,804.06**	**(338.36)**	**2,62,076.30**	**2,87,786.16**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2023	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-		-	-	-	-
Profit / (loss) for the year	-	-	9,103.45	-	-	9,103.45	9,103.45
Other comprehensive income, net of taxes	-	-	(14.49)	-	-	(14.49)	(14.49)
Closing balance as at 31 March 2024	**25,709.87**	**19,586.08**	**1,92,113.47**	**59,804.06**	**(338.36)**	**2,71,165.26**	**2,96,875.12**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2024	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-		-	-	-	-
Profit / (loss) for the year	-	-	(11,671.50)	-	-	(11,671.50)	(11,671.50)
Other comprehensive income, net of taxes	-	-	(120.35)	-	-	(120.35)	(120.35)
Closing balance as at 31 March 2025	**25,709.87**	**19,586.08**	**1,80,321.62**	**59,804.06**	**(338.36)**	**2,59,373.40**	**2,85,083.27**

See accompanying notes to the financial statements
In terms of our report attached

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2025

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 28-05-2025

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2025

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 28-05-2025

BMM ISPAT LTD. DANAPUR

BMM ISPAT LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

₹ in lakhs

	31 March 2025	31 March 2024
A Cash flow from operating activities:		
Profit / (loss) before tax	(15,179.91)	12,826.82
Adjustments for:		
Depreciation and amortization expense	11,572.13	10,884.86
Provision for Doubtful loans	563.25	-
Amortization of discount and transaction cost	81.15	119.11
(Profit)/loss on sale of property, plant & equipment	3.05	87.48
Finance costs	5,015.99	3,555.29
Interest Income	(432.64)	(3,224.93)
Operating profit before working capital changes	**1,623.02**	**24,248.63**
Movement in working capital:*		
Increase in trade payables	41,542.48	8,342.07
Increase in provisions	158.87	97.02
Increase in other financial liabilities	55.01	7,926.88
Increase / (Decrease) in lease liabilities	(58.58)	(82.99)
Increase / (Decrease) in other current liabilities	3,473.53	(679.90)
Decrease/(Increase) in trade receivables	3,886.34	(2,087.51)
Decrease/(Increase) in inventories	(27,823.20)	(27,354.22)
Decrease/(Increase) in loans	(1.39)	(5.11)
(Increase) in other financial assets	1,504.21	2,104.64
Decrease in other non-financial assets	5,958.59	177.38
Cash generated from operations	**30,318.88**	**12,686.89**
Income taxes paid (net of refunds)	-	-
Net cash generated from operating activities (A)	**30,318.88**	**12,686.89**
B Cash flow from investing activities:		
Purchase of property, plant & equipment, intangible assets, and capital work-in progress	(34,966.14)	(73,945.51)
Proceeds from sale of property, plant & equipment	12.14	6.97
(Investment) / Withdrawals in term deposits	(92.90)	34,937.74
Loans given during the year	-	(134.68)
Loans repaid during the year	-	25,500.00
Interest received	294.04	3,224.93
Net cash used in investing activities (B)	**(34,752.86)**	**(10,410.53)**
C Cash flow from financing activities:		
Proceeds from long-term borrowings	485.20	7,616.77
Repayment of long-term borrowings	(10,000.00)	(10,000.00)
Proceeds from short-term borrowings (Net)	13,911.61	1,410.50
Interest paid and loan processing charges	(4,820.43)	(3,165.96)
Net cash generated/(used in) financing activities (C)	**(423.62)**	**(4,138.69)**

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D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(4,857.60)	(1,862.35)
Cash and cash equivalents at the beginning of the year	4,935.47	6,797.83
Cash and cash equivalents at the end of the year	77.87	4,935.47
*includes current and non-current		

Components of cash and cash equivalents:

₹ in lakhs

	31 March 2025	31 March 2024
Cash in hand	2.94	2.14
With banks		
- in current account	74.93	1,733.33
- in Deposits with original maturity for less than or equal to 3 months	-	3,200.00
Total cash and cash equivalents (Note 14)	**77.87**	**4,935.47**

Reconciliations part of cash flows

₹ in lakhs

Particulars	01 April 2024	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2025
Borrowings (including current maturities of long term borrowings).	38,139.80	(10,010.95)	496.15	-	81.15	28,706.14
Lease liabilities (including current maturities)	82.28	(58.58)	-	-	-	23.69
Borrowings current (excluding current maturities of long term borrowings).	11,689.12	13,855.50	56.11	-	-	25,600.73

* Amortisation of loan processing fees

₹ in lakhs

Particulars	01 April 2023	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2024
Borrowings (including current maturities of long term borrowings).	40,403.92	(2,554.31)	171.08	-	119.11	38,139.80
Lease liabilities (including current maturities)	165.27	(121.51)	-	38.52	-	82.28
Borrowings current (excluding current maturities of long term borrowings).	10,278.62	1,366.33	44.17	-	-	11,689.12

* Amortisation of loan processing fees

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Notes:

1 The above cash flow statement has been prepared by using the Indirect Method as per the Indian Accounting Standard (Ind AS) 7 - " Statement of Cash Flows".
See accompanying notes to the financial statements
This is the cash flow statement referred to in our report of even date.

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 28-05-2025

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177

Place: Danapura
Date: 28-05-2025

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827

Place: Danapura
Date: 28-05-2025

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 28-05-2025

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Notes to the financial statements for the year ended 31 March 2025
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2024	412.47	81,830.20	3,67,286.23	215.76	891.41	328.20	321.34	4,51,285.61
Additions	-	2,913.92	6,946.22	0.24	22.71	113.94	-	9,997.03
Disposals	-	-	66.31	-	0.66	88.19	20.85	176.01
Cost/deemed cost as at 31 March 2025	**412.47**	**84,744.12**	**3,74,166.14**	**216.00**	**913.46**	**353.95**	**300.49**	**4,61,106.63**
Accumulated depreciation as at 01 April 2024	-	16,682.39	86,760.02	130.12	591.03	108.03	208.96	1,04,480.55
Depreciation expense	-	1,738.85	9,374.12	11.53	67.23	122.38	21.04	11,335.15
Deductions	-	-	57.70	-	0.15	83.15	19.81	160.81
Accumulated depreciation as at 31 March 2025	-	**18,421.24**	**96,076.44**	**141.65**	**658.10**	**147.26**	**210.19**	**1,15,654.89**
Accumulated impairment as at 01 April 2024	-	30,860.67	1,20,802.36	-	-	-	-	1,51,663.03
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated impairment as at 31 March 2025	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Net carrying value								
At 31 March 2024	**412.47**	**34,287.14**	**1,59,723.85**	**85.64**	**300.38**	**220.17**	**112.38**	**1,95,142.03**
At 31 March 2025	**412.47**	**35,462.22**	**1,57,287.34**	**74.34**	**255.36**	**206.70**	**90.30**	**1,93,788.71**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads of ₹ 6,040.92 lakhs (FY 2023-24 ₹ 5,910.88 lakhs)

The above assets are mortaged in favour of ICICI Bank, please refer note 17

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

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Notes to the financial statements for the year ended 31 March 2025
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment (contd..)

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2023	412.47	80,975.00	3,64,332.88	380.81	988.25	399.86	371.34	4,47,860.61
Additions	-	857.01	3,196.58	23.73	91.96	162.82	-	4,332.10
Disposals	-	1.81	243.23	188.78	188.80	234.48	50.00	907.10
Cost/deemed as at 31 March 2024	**412.47**	**81,830.20**	**3,67,286.23**	**215.76**	**891.41**	**328.20**	**321.34**	**4,51,285.61**
Accumulated depreciation as at 01 April 2023	-	15,022.49	77,981.19	284.19	710.31	257.55	216.36	94,472.09
Depreciation expense	-	1,660.52	8,951.60	14.69	58.17	70.06	36.00	10,791.04
Deductions	-	0.62	172.77	168.76	177.45	219.58	43.40	782.58
Accumulated depreciation as at 31 March 2024	-	**16,682.39**	**86,760.02**	**130.12**	**591.03**	**108.03**	**208.96**	**1,04,480.55**
Accumulated impairment as at 01 April 2023	-	**30,861.19**	**1,20,831.91**	-	-	-	-	**1,51,693.10**
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	0.52	29.55	-	-	-	-	30.07
Accumulated impairment as at 31 March 2024	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Net carrying value								
At 31 March 2024	**412.47**	**34,287.14**	**1,59,723.85**	**85.64**	**300.38**	**220.17**	**112.38**	**1,95,142.03**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads

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4B. Capital Work-in-progress

Particulars	31 March 2025	31 March 2024
Capital work-in-progress*	1,17,097.42	92,283.10
Total	**1,17,097.42**	**92,283.10**

* Capital work-in-progress includes Trial Loss of Blast Furnace project as on 31 March 2025 is ₹ 13,803.25 lakhs.

Capital work-in-progress ageing schedule for the year ended 31 March 2025

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	24,814.32	68,483.13	23,743.83	56.13	1,17,097.42
Projects temporarily suspended	-	-	-	-	-
Total	**24,814.32**	**68,483.13**	**23,743.83**	**56.13**	**1,17,097.42**

Capital work-in-progress ageing schedule for the year ended 31 March 2024

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	68,483.13	23,743.83	56.13	-	92,283.10
Projects temporarily suspended	-	-	-	-	-
Total	**68,483.13**	**23,743.83**	**56.13**	-	**92,283.10**

For Capital work-in-progress, whose completion is overdue compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31 March 2025

As at 31 March 2025

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	1,16,748.62	-	-	-	1,16,748.62
Gunda Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	414.64	-	-	-	414.64
Total	**1,17,163.26**	**3.67**	-	-	**1,17,166.93**

As at 31 March 2024

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	90,772.08	-	-	-	90,772.08
Gunda Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	1,404.60	-	-	-	1,404.60
Total	**92,176.69**	**3.67**	-	-	**92,180.35**

5. Right-of-use assets

	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2024	15,532.07	328.23	15,860.30
Additions**	384.86	-	384.86
Disposals	-	328.23	328.23
Cost as at 31 March 2025	**15,916.93**	**0.00**	**15,916.93**
Accumulated impairment as at 01 April 2024	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2025	**937.73**	-	**937.73**
Accumulated amortisation as at 01 April 2024	98.76	53.48	152.24
Charge for the year	10.97	11.46	22.43
Disposals	-	64.93	64.93
Accumulated amortisation as at 31 March 2025	**109.73**	-	**109.73**
Total accumulated amortisation and impairment as at 31 March 2025	1,047.46	-	1,047.46
Net carrying value as at 31 March 2025	**14,869.47**	**0.00**	**14,869.47**

** Additions includes compensation paid to land sellers

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	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2023	14,216.12	328.23	14,544.36
Additions	1,315.95	-	1,315.95
Disposals	-	-	-
Cost as at 31 March 2024	**15,532.07**	**328.23**	**15,860.30**
Accumulated impairment as at 01 April 2023	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2024	**937.73**	-	**937.73**
Accumulated depreciation as at 01 April 2023	87.79	26.15	113.94
Charge for the year	10.97	27.33	38.30
Disposals	-	-	-
Accumulated depreciation as at 31 March 2024	**98.76**	**53.48**	**152.24**
Total accumulated depreciation and impairment as 31 March 2024	**1,036.49**	**53.48**	**1,089.97**
Net carrying value as at 31 March 2024	**14,495.58**	**274.75**	**14,770.33**

*Right-of-use assets of land includes amounts paid to KIADB and site development expenses incurred to acquire land under lease cum sale basis.

Leasehold land aggregating to ₹ 7,379.41 lakhs wherein the lease deeds have expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	**Amount**
At 01 April 2023	**165.27**
Additions	38.52
Interest Accrued	13.78
Lease principal payments	(121.51)
Lease interest payments	(13.78)
At 31 March 2024	**82.28**
Additions	-
Interest Accrued	3.94
Lease principal payments	(58.58)
Lease interest payments	(3.94)
At 31 March 2025	**23.70**

Break-up of lease liabilities:

Particulars	**31 March 2025**	**31 March 2024**
Current	7.98	58.58
Non-Current	15.72	23.70

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2025 on an undiscounted basis:

Particulars	**31 March 2025**	**31 March 2024**
Less than 1 year	9.99	62.53
1-5 years	17.27	27.26
More than 5 years	-	-

The Company does not face any 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 they fall due.

6. Other intangible assets

Intangibles	**Computer software**	**Total**
Cost/deemed cost		
Cost as at 01 April 2024	**840.11**	**840.11**
Additions	34.54	34.54
Disposals	-	-
Cost as at 31 March 2025	**874.65**	**874.65**
Accumulated amortization as at 01 April 2024	**253.38**	**253.38**
Amortization expense	215.86	215.86
Deductions	-	-
Accumulated amortization as at 31 March 2025	**469.24**	**469.24**
Net carrying value as at 31 March 2025	**405.41**	**405.41**

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Cost as at 01 April 2023	247.68	**247.68**
Additions	595.68	595.68
Disposals	3.25	3.25
Cost as at 31 March 2024	**840.11**	**840.11**
Accumulated amortization as at 01 April 2023	201.12	201.12
Amortization expense	55.52	55.52
Deductions	3.25	3.25
Accumulated amortization as at 31 March 2024	**253.38**	**253.38**
Net carrying value as at 31 March 2024	**586.74**	**586.74**
Useful life of the asset	03	
Method of amortization	SLM	

7. Loans (Unsecured, considered good)

	31 March 2025		31 March 2024	
	Non-current	Current	Non-current	Current
Loans*				
to related parties	-	-	-	-
to other body corporate	-	1,663.25	-	1,524.65
to employees	4.09	2.41	2.00	3.11
Less: allowance for doubtful loans		(563.25)		
Total	**4.09**	**1,102.41**	**2.00**	**1,527.76**

Loans to related parties & other body corporates are given for their business purpose. Details of loans given to related parties has been disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

No funds have been advanced or lent 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Details of Loans and Advances in the nature of loans to related parties:

	31 March 2025		31 March 2024	
Name of the Company	**Maximum amount outstanding during the year**	**Amount outstanding**	**Maximum amount outstanding during the year**	**Amount outstanding**
Adarsh Advisory Services Private Limited	-	-	12,500.00	-
Everbest Consultancy Services Private Limited	-	-	8,000.00	-
South West Mining Limited	-	-	3,500.00	-
Ranjitpura Infrastructure Private Limited	-	-	1,500.00	-

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8. Other financial assets (at amortised cost)

Non-current	31 March 2025	31 March 2024
Security Deposits		
- Considered good	397.29	397.46
- Considered doubtful	154.36	154.36
Less: allowance for doubtful deposit	(154.36)	(154.36)
	397.29	**397.46**
Bank Deposits with original maturity for more than 12 months	3.14	0.50
Interest accrued on bank deposits	0.03	0.03
	400.46	**397.99**
Current		
Security Deposits (Considered good)		
to related parties	40.00	40.00
to others	840.74	2,320.54
Interest accrued on term deposits/security deposits	35.79	62.67
	916.53	**2,423.21**
Total	**1,316.99**	**2,821.20**

There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
Details of security deposits given to related parties has been disclosed under note 44.
Security deposit given to related party is as per rental agreement.

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9. Income taxes

Indian companies are subject to Indian income tax on the basis of standalone financial statements. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on 01 April and ending on 31 March.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, expenses not deductable, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus surcharge and cess as per section 115BAA.

a. Income tax expense

	For the year ended	
	31 March 2025	**31 March 2024**
Current tax:		
Current tax	-	-
Tax refund/reversal pertaining to earlier years	-	-
Deferred tax:		
Deferred tax	(3,508.41)	3,723.37
Total deferred tax	**(3,508.41)**	**3,723.37**
Total tax expense	**(3,508.41)**	**3,723.37**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	For the year ended	
	31 March 2025	**31 March 2024**
Profit / (loss) before tax	(15,179.91)	12,826.82
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	**(3,820.48)**	**3,228.25**
Expenses not deductible in determining taxable profits	245.32	494.31
Income not taxable in determining taxable profits	-	-
Impact on account of Ind AS adjustments	21.41	1.17
Others	45.34	(0.36)
Tax expense for the year	**(3,508.41)**	**3,723.37**
Effective income tax rate	**23.11%**	**29.03%**

b. Deferred tax assets/(liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Deferred tax balance in relation to	**Balance as at 31 March 2024**	**Recognised/ reversed through profit and loss**	**Recognised in/ reclassified from OCI**	**Balance as at 31 March 2025**
Property, plant & equipment and ROU assets	(22,169.48)	(2,201.04)	-	(24,370.51)
Carried forward business loss/unabsorbed depreciation	14,452.63	4,918.31	-	19,370.94
Retirement benefit obligation	156.97	39.99	40.48	237.43
Others	2,776.31	751.15	-	3,527.46
Total	**(4,783.57)**	**3,508.41**	**40.48**	**(1,234.68)**

Deferred tax balance in relation to	**Balance as at 31 March 2023**	**Recognised/ reversed through profit and loss**	**Recognised in/ reclassified from OCI**	**Balance as at 31 March 2024**
Property, plant and equipment	(19,373.23)	(2,796.24)	-	(22,169.48)
Carried forward business loss/unabsorbed depreciation	15,638.17	(1,185.54)	-	14,452.63
Retirement benefit obligation	127.68	24.42	4.87	156.97
Others	2,542.32	233.99	-	2,776.31
Total	**(1,065.06)**	**(3,723.37)**	**4.87**	**(4,783.57)**

The Company has exercised the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has measured its net deferred tax assets/liability on the basis of the rate prescribed in the said section.

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10. Income Tax assets (Net)

	31 March 2025	31 March 2024
Income taxes paid under protest	1,886.37	1,886.37
Income tax refund receivable	2,240.42	1,635.17
Tax Deduction at Source (Receivable)	321.23	606.95
Total	**4,448.02**	**4,128.49**

Note: Income Tax liability for FY 2024-25 is nil (FY 2023-24 is nil) due to carry forward lossess.

11. Other assets* (unsecured)

	31 March 2025		31 March 2024	
	Non-current	Current	Non-current	Current
Capital advances, considered good	600.21	-	915.74	-
Security deposits, considered good	632.96	-	413.41	-
Gratuity fund balance (net of liability)	-	-	46.50	-
Pre-paid expenses, considered good	51.71	600.93	95.47	455.48
Advances to suppliers and others, considered good	-	1,655.10	-	4,765.07
Advances to suppliers and others, considered doubtful	744.61	-	744.61	-
Less: Allowances for doubtful advances	(744.61)	-	(744.61)	-
Sub-total	-	**1,655.10**	-	**4,765.07**
Balances with statutory and govt authorities, considered good	1,761.50	1,230.38	1,748.44	4,370.81
Balances with statutory and govt authorities, considered doubtful	28.00	-	28.00	-
Less: Allowances for doubtful advances	(28.00)	-	(28.00)	-
Sub-total	**1,761.50**	**1,230.38**	**1,748.44**	**4,370.81**
Total	**3,046.38**	**3,486.41**	**3,219.56**	**9,591.36**
Unsecured, considered good	3,046.38	3,486.41	3,219.56	9,591.36
Unsecured, considered doubtful	772.61	-	772.61	-

Details of advances given to related parties has been disclosed under note 44
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

12. Inventories

	31 March 2025	31 March 2024
Raw materials (at cost)	25,682.97	20,127.30
Work-in-progress (at cost)*	226.69	706.74
Finished goods (at cost or net realisable value)*	38,020.07	27,060.89
Others (valued at net realizable value)	6,081.98	1,125.88
Stores and spares (at cost)	17,243.37	10,411.07
Total	**87,255.08**	**59,431.88**

Details of Stock-in-transit (included in above inventories)

	31 March 2025	31 March 2024
Raw materials	14,454.91	5,937.96
Total	**14,454.91**	**5,937.96**

* Above inventories as at 31 March 2025 includes, inventories in respect of Trial Run operations (Refer Note: 46)
Refer note no. 50 for change change in accounting policy in FY 2023-24
The above inventories are hypothicated in favour of ICICI Bank Mumbai & IndusInd Bank, Mumbai, please refer note 17 & 19.

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13. Trade receivables*

	31 March 2025	31 March 2024
Unsecured, considered good	3,484.66	7,371.00
Considered doubtful	49.49	49.49
Less: Allowance for doubtful receivables	(49.49)	(49.49)
Total	**3,484.66**	**7,371.00**

Trade receivables ageing Schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	3,446.03	88.13	-	-	-	3,534.15
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.05)	(0.44)	-	-	-	(49.49)
Total	**3,396.98**	**87.69**	-	-	-	**3,484.66**

Trade receivables ageing Schedule as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	7,362.97	57.52	-	-	-	7,420.49
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.20)	(0.29)	-	-	-	(49.49)
Total	**7,313.77**	**57.23**	-	-	-	**7,371.00**

The normal credit period on sales of goods ranges from 7 to 30 days with or without security.
The company is providing 0.5% as allowance for doubtful debts towards expected credit losses considering the business model.

Trade receivables from related parties are disclosed under note 44.
* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
The above receivables are hypothicated in favour of ICICI Bank, Mumbai & IndusInd Bank, Mumbai. Please refer note 17 & 19

Movement of doubtful receivables:	31 March 2025	31 March 2024
Opening loss allowance	49.49	49.49
Allowance provided during the year	-	-
Allowance reversed during the year	-	-
Closing loss allowance	**49.49**	**49.49**

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14. Cash and bank balances

	31 March 2025	31 March 2024
Cash and cash equivalents		
Balances with banks		
In current accounts	74.93	1,733.33
Deposits with original maturity for less than or equal to 3 months	-	3,200.00
Drafts on hand	-	-
Cash on hand	2.94	2.14
	77.87	**4,935.47**
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	-	-
Margin money deposits*	301.57	277.83
Deposits held for CSR purpose	448.61	748.67
Current accounts balances towards CSR purpose	383.71	14.48
	1,133.89	**1,040.98**
Total	**1,211.76**	**5,976.45**

*includes term deposits held as margin money for security against the bank guarantees.

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15. Equity share capital

Authorised share capital:	**31 March 2025**	**31 March 2024**
1,00,00,00,000 (31 March 2024: 30,00,00,000) Equity shares of ₹ 10 each	1,00,000.00	30,000.00
Issued, subscribed and fully paid-up shares:		
25,70,98,746 (31 March 2024: 25,70,98,746) Equity shares of ₹ 10 each	25,709.87	25,709.87
Total	**25,709.87**	**25,709.87**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2025		**31 March 2024**	
Equity shares	**No. of shares**	**₹ in lakhs**	**No. of shares**	**₹ in lakhs**
At the beginning of the period	25,70,98,746	25,709.87	25,70,98,746	25,709.87
Issued during the period	-	-	-	-
Outstanding at the end of the period	**25,70,98,746**	**25,709.87**	**25,70,98,746**	**25,709.87**
		-		-

B. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Shares held by holding company*

	31 March 2025		**31 March 2024**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%

D. Details of shareholders holding more than 5% shares in the company*

	31 March 2025		**31 March 2024**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
JSW Projects Limited	15,03,25,637	58.47%	15,03,25,637	58.47%
Dinesh Kumar Singhi	10,67,04,504	41.50%	10,67,04,504	41.50%

E. Shares held by promotors as on 31 March 2025*

Shares held by promotors at the end of the year

S NO	Promoter Name	No. of shares	% of total shares	% Change during the year
1	JSW Projects Limited	15,03,25,637	58.47%	-
2	Dinesh Kumar Singhi	10,67,04,504	41.50%	-
3	Snehalatha Singhi	68,605	0.03%	-

*As per the records of the company, including it's register of shareholders / members, the above shareholding represents legal and/or beneficial ownership of shares.

F. The company has not allotted any shares pursuant to contracts without payment being received in cash during the 5 years immediately preceding the date of the balance sheet.

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16. Other equity

A. Retained earnings

Retained earnings are the profits and gains that the company has earned till date, less any transfer to general reserve, debenture redemption reserve or other reserves, dividends or other distributions paid to shareholders.
The details of movement in retained earnings is as below:

	31 March 2025	31 March 2024
Balance at the beginning of the year	1,92,113.47	1,83,024.51
Profit for the year	(11,671.50)	9,103.45
Remeasurement of post-employment defined benefit plans	(120.35)	(14.49)
Balance at the end of the year	**1,80,321.62**	**1,92,113.47**

B. Equity instruments through other comprehensive income

The details of other comprehensive income recognised during the year is as below:

	31 March 2025	31 March 2024
Balance at the beginning of the year	(338.36)	(338.36)
Balance at the end of the year	**(338.36)**	**(338.36)**

C. Other reserves

a. Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
The details of movement in securities premium is as below:

	31 March 2025	31 March 2024
Balance at the beginning of the year	19,586.08	19,586.08
Balance at the end of the year	**19,586.08**	**19,586.08**
D. Equity component of fully and compulsory convertible debentures*	59,804.06	59,804.06
Total	**2,59,373.40**	**2,71,165.26**

*** Terms/rights attached to compulsory convertible debentures (Also refer note 41)**
On 27 October 2020, as per the terms of the Investment Agreement dated 04 March 2020 read with amendment Agreement dated 22 October 2020, the company has allotted 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each and 16,01,83,717 Series A Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each to M/s. JSW Projects Limited.

On 27 October 2020, as per the terms of the Investment Agreements, the outstanding unsecured loans from Mr. Dinesh Kumar Singhi of ₹ 20,024.98 lakhs and Mrs. Snehalatha Singhi of ₹ 4,811.65 lakhs were converted into 20,02,49,805 and 4,81,16,473 of Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively.

On 16 December 2020, upon satisfactory completion of conditions referred in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.
The terms and conditions of the debentures are as follows:
1. Series A-CCD and Series C-CCD have a term period of maximum 20 years starting from the date of allotment and the holder of the said debentures shall have the right to convert each CCD into one equity share of ₹ 10 each of the company at any time during the debenture term.
2. Series B-CCD have a term period of maximum 20 years starting from the date of allotment and each Series B-CCD shall automatically and mandatorily be converted to one equity share of ₹ 10 each upon conversion of Series A-CCD on prorata basis.
3. All the CCD's do not carry any coupon payments during the term of the debentures.

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17. Borrowings (at amortised cost)

	31 March 2025		31 March 2024	
	Non-current	Current	Non-current	Current
Term loans from Banks (secured)				
ICICI Bank	5,000.00	10,000.00	15,000.00	10,000.00
Less: Unamortised processing fees	(7.18)	(43.04)	(50.22)	(81.15)
	4,992.82	**9,956.96**	**14,949.78**	**9,918.85**
Acceptance for capital projects with maturity more than 1 year (secured)	5,160.60	8,595.77	13,271.17	-
	10,153.42	**18,552.73**	**28,220.95**	**9,918.85**
The above amount includes				
Secured borrowings	10,153.42	18,552.73	28,220.95	9,918.85
Unsecured borrowings	-	-	-	-
Amount disclosed in Note 19	-	(18,552.73)	-	(9,918.85)
	10,153.42	-	**28,220.95**	-

1. Term Loan (secured)

On 26 November 2021, the company has taken rupee term loan of ₹ 50,000 lakhs from ICICI bank as part re-financing of Non-Convertable Debentures (NCD) issued to J.P. Morgan Securities Aisa Private Limited . The term loan carries an interest ranging from 9.65% to 9.75% and was payable on monthly basis with principal repayments in 20 quarterly instalments. The security for the said loan was first charge over the movable and immovable assets of the company; second charge on the current assets of the company and the said loan shall be further secured by pledge of 30% of the equity share capital of the company. The company has filed form CHG-1 on 10 December 2021 towards creation of charge infavour of ICICI Bank by creating first charge over movable assets. Further, the company has filed form CHG-1 on 9th June, 2022, for modification of the charge to register the 'Memorandum of Entry (MOE)- Mortgage by deposit of Title Deeds' executed in favour of ICICI Bank Limited.

2. During the FY 2022-23, the Company has availed from ICICI Bank Limited –
CAPEX Letter of Credit facility with a limit upto ₹ 15,000 lakhs with maximum usance period of 1080 days. These facilities have been secured by creating exclusive charge on specified assets being procured in form of any movable plant and machinery, machinery spares, tools and accessories, other movables. The necessary form CHG-1 has been filed on 18th October, 2022. Interest ranges from 3.15% to 5.10% p.a during the year.

3. The Company has used the borrowings from banks for the specific purpose for which it was obtained.

18. Provisions

	31 March 2025		31 March 2024	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for gratuity	126.83	-	-	-
Provision for compensated leave absence	697.46	119.11	543.66	80.04
Total	**824.29**	**119.11**	**543.66**	**80.04**

19. Borrowings (current, at amortised cost)

	31 March 2025	31 March 2024
Current maturities of long term borrowings	18,552.73	9,918.85
Working capital loans (including Acceptances)	25,600.73	11,689.12
Total	**44,153.46**	**21,607.97**
The above amount includes		
Secured borrowings	44,153.46	21,607.97
Unsecured borrowings	-	-

During the FY 24-25, the company has availed working capital limits from IndusInd Bank of ₹. 25,000 lakhs and enchanced working capital limits from ₹. 15,000 lakhs to ₹. 35,000 lakhs from ICICI Bank. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables. The necessary CHG-1 form filed with MCA on 24 September, 2024 and 19 December, 2024, respectively. It carries interest rate ranging from 6% p.a. to 9.50% p.a during the year.

During the FY 23-24, the company has availed working Capital (including non-fund bassed limits) and Derivative limits upto ₹ 15,000 lakhs and ₹ 4,000 lakhs, respectively. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables. The necessary form CHG-1 has been filed on 18th October, 2022. Letter of credit carries interest rate ranges from 5.5% to 5.9% p.a during the year.

The Company has used the borrowings from banks for the specific purpose for which it was obtained.

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20. Trade payables

	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	4,908.85	3,654.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,131.99	13,809.42
Unbilled Trade payables	3,693.53	1,728.44
Total	**60,734.37**	**19,191.86**

Trade payables ageing schedule for the year ended as on 31 March 2025:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	4,897.23	2.64	7.65	1.33	4,908.85
Outstanding dues to others	3,693.53	52,009.44	11.96	1.10	109.49	55,825.52
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**3,693.53**	**56,906.67**	**14.60**	**8.75**	**110.82**	**60,734.37**

Trade payables ageing schedule for the year ended as on 31 March 2024:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	3,652.50	1.50	-	-	3,654.00
Outstanding dues to others	1,728.44	13,641.64	108.52	-	59.25	15,537.86
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**1,728.44**	**17,294.14**	**110.02**	**-**	**59.25**	**19,191.86**

Trade payables to related parties details are furnished in note 44.

21. Other financial liabilities (as amortised cost)

	31 March 2025		31 March 2024	
	Non-Current	Current	Non-Current	Current
Interest accrued and not due on borrowings	-	245.75	-	289.53
Others				
Creditors for capital purchases	-	9,617.56	-	11,221.28
Creditors for expenses	-	2,614.02	-	566.27
CSR ongoing projects payable		781.63		1,172.57
Others	-	160.05	-	158.14
Total	**-**	**13,419.01**	**-**	**13,407.79**

Amounts due to related parties details has been described in note 44.

22. Other current liabilities

	31 March 2025	31 March 2024
Advances from customers	1,505.84	1,570.26
Statutory liabilities*	14,259.34	10,480.26
Others	6.32	8.14
Total	**15,771.50**	**12,058.66**

* Includes Electricity Tax payable as per the Rule 5 of Karnakata Electricity (Taxation on Consumption) Rules 2014 of ₹ 6,039.66 lakhs. An amount of ₹ 3,780.56 lakhs towards interest demand has not been provided for.

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BMM Ispat Limited
Notes to the financial statements for the year ended 31 March 2025
All amounts are in ₹ lakhs unless otherwise stated

23. Revenue from operations	31 March 2025	31 March 2024
Sale of products	3,06,815.52	2,83,628.15
Other operating revenue	3,365.63	4,033.75
Total	**3,10,181.15**	**2,87,661.90**

a. Ind AS 115 Revenue from contracts with customers

The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

	31 March 2025		31 March 2024	
Particulars	**MT**	**Rs. In Lakhs**	**MT**	**Rs. In Lakhs**
TMT	1,03,250	47,582.83	83,607	40,446.99
Billet	18,846	14,733.89	17,235	7,629.27
Sponge Iron	6,24,083	1,59,861.09	5,75,273	1,57,792.47
Pellet	7,88,080	79,124.90	7,43,769	75,492.40
Others		5,512.81		2,267.02
Total		**3,06,815.52**		**2,83,628.15**

	31 March 2025	31 March 2024
Revenue from contracts with customers-sale of products	3,06,815.52	2,83,628.15
Other operating revenue	3,365.63	4,033.75
Total revenue from operations	**3,10,181.15**	**2,87,661.90**
Revenue within India	3,10,181.15	2,87,661.90
Revenue from outside India	-	-
Total revenue from operations	**3,10,181.15**	**2,87,661.90**
Timing of revenue recognition		
At a point of time	3,10,181.15	2,87,661.90
Total revenue from operations	**3,10,181.15**	**2,87,661.90**

Contract balances:	As at 31 March 2025	As at 31 March 2024
Trade receivables (refer note 13)	3,484.66	7,371.00
Contract liabilities		
Advances received from customers (refer note 22)	1,505.84	1,570.26

The normal credit period on sales of goods ranges from 7 to 30 days with or without security.

As at 31 March 2025, an amount of ₹ 49.49 lakhs (31 March 2024: ₹ 49.49 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include short term trade advances received for sale of goods.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year is ₹ 1,570.26 lakhs (31 March 2024: ₹ 3,312.86 lakhs) and performance obligations satisfied in previous years is ₹ Nil (31 March 2024: ₹ Nil).

Out of the total contract liabilities outstanding as on 31 March 2025, ₹ 1,505.84 lakhs (31 March 2024: ₹ 1,570.26 lakhs) will be recognized on execution of contract by 31 March 2026.

Refund liabilities:	As at 31 March 2025	As at 31 March 2024
Arising from volume rebates (included in other financial liabilities-note 21)	42.13	67.23

The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.

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24. Other income	31 March 2025	31 March 2024
Interest income from term deposits	153.54	1,017.52
(includes TDS credit of CY ₹ 16.04 and PY ₹ 101.17)		
Interest income from security deposits	107.28	22.60
(includes TDS credit of CY ₹ 10.72 and PY ₹ 2.26)		
Interest income from others	33.22	2.27
(includes TDS credit of CY ₹ Nil and PY ₹ Nil)		
Interest income from Inter Corporate Deposits	138.60	2,182.55
(includes TDS credit of CY ₹ 0.00 and PY ₹ 204.79)		
Exchange rate fluctuation (net)	-	234.46
Other non-operating income		
- Other miscellaneous income	527.10	436.24
Total	**959.74**	**3,895.64**

25. Cost of material consumed	31 March 2025	31 March 2024
Inventory at the beginning of the year	20,127.30	18,631.90
Add: Purchases	2,75,713.39	2,45,079.92
	2,95,840.69	**2,63,711.82**
Less: Inventory at the end of the year	25,682.97	20,127.30
Cost of materials consumed	**2,70,157.72**	**2,43,584.52**
Cost of materials consumed disclosed is on the basis of derived figures.		

26. Changes in inventories of finished goods, stock in trade and work in progress

	31 March 2025	31 March 2024
Inventories at the end of the year		
Finished goods & others	44,102.05	28,186.77
Work-in-progress	226.69	706.74
	44,328.74	**28,893.51**
Inventories at the beginning of the year		
Finished goods & others	28,186.77	5,733.65
Work-in-progress	706.74	180.48
	28,893.51	**5,914.13**
(Increase) / Decrease	**(15,435.23)**	**(22,979.38)**

27. Employee benefits expense	31 March 2025	31 March 2024
Salary, wages & bonus	7,975.86	6,361.36
Contribution to provident and other funds	1,076.05	782.79
Staff welfare expenses	1,113.75	961.60
Total	**10,165.66**	**8,105.75**

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28. Finance costs	31 March 2025	31 March 2024
Interest on Term loans, Working Capital & others	4,609.11	3,487.68
Amortizatoin of loan processing fees	81.15	119.11
Bank charges	406.88	67.61
Total	**5,097.14**	**3,674.40**

29. Depreciation and amortization expense	31 March 2025	31 March 2024
Depreciation of property, plant and equipment	11,333.98	10,791.04
Amortization of intangible assets	215.72	55.52
Depreciation of Right-of-use assets	22.43	38.30
Total	**11,572.13**	**10,884.86**

30. Other expenses	31 March 2025	31 March 2024
Consumption of stores and spares	15,582.54	14,394.10
Repairs and maintenance - building	543.02	501.47
Repairs and maintenance - plant and machinery	2,773.65	2,374.41
Repairs and maintenance - others	760.17	623.17
Power & fuel	5,637.16	3,783.21
Labour charges	9,368.17	5,902.58
Analysis & laboratory charges	58.02	58.67
Machinery hire charges	1,627.94	1,600.44
Water withdrawal charges	455.78	181.02
Office & general administration expenses	728.57	328.74
Communication expenses	24.70	29.40
Insurance	427.64	594.35
Legal and professional charges	687.79	573.51
Travelling & conveyance	69.80	65.54
Rates & taxes	1,604.86	532.58
Security and service charges	655.38	549.60
Printing and stationery	31.97	22.41
Rent	106.38	113.23
Directors sitting fees	13.50	16.30
Donations	32.88	13.75
Corporate Social Responsibility expenses	651.80	1,887.88
Corporate Environment Responsibility(CER)	278.97	53.62
Loss on sale/discard of fixed assets (net)	3.05	87.48
Exchange rate fluctuation (net)	479.43	-
Payment to auditor (refer details below)	21.00	17.00
Advertisement & business promotion	3.45	6.50
Commission on sales	22.31	38.26
Advances/balances written.off	-	0.88
Allowance for doubtful debts	549.72	-
Loading and unloading charges	197.15	164.67
Freight and demurrage charges	1,166.79	735.47
Power export expenses	135.78	135.63
Others	64.01	74.69
Total	**44,763.38**	**35,460.57**

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Payment to auditor	31 March 2025	31 March 2024
As auditor:		
Statutory Audit fees	15.00	13.00
Tax audit fees	1.50	1.50
In other capacity:		
Other services	4.50	2.50
Total	**21.00**	**17.00**

31. Earnings per share (EPS)	31 March 2025	31 March 2024
Profit after tax	(11,671.50)	9,103.45
Closing number of equity shares (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for basic EPS (No's)	25,70,98,746	25,70,98,746
Weighted average number of shares for diluted EPS (No's)	85,51,39,387	85,51,39,387
Basic earnings per share (in ₹)	(4.54)	3.54
Diluted earnings per share (in ₹)	(1.36)	1.06
Nominal value of shares (in ₹)	10.00	10.00







32. Balances of trade receivables, trade payables and loans are subject to confirmation/reconciliation, if any.

33. In the opinion of Board of Directors adequate provision has been made in the accounts for all known liabilities and the current assets and loans have a value on realization in the ordinary course of business at least equal to the value stated in the balance sheet.

34. The company's other leasing arrangements are in the nature of operating leases. These are cancellable operating leases and the agreements are normally renewed on expiry. The aggregate lease rentals payable are charged as rent under note 30.

35. Financial instruments

I. Capital risk management

The company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from external borrowings. The company is not subject to any externally imposed capital requirements.

The company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings from banks and related parties less cash and cash equivalents, bank balances other than cash and cash equivalents.

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Long term borrowings	10,153.42	28,220.95
Short term borrowings	44,153.46	21,607.97
Less: Cash and cash equivalent	(77.87)	(4,935.47)
Net debt	**54,229.01**	**44,893.45**
Total equity	**2,85,083.27**	**2,96,875.12**
Gearing ratio	**0.19**	**0.15**

i. Equity includes all capital and reserves of the company that are managed as capital.
ii. Debt is defined as long and short term borrowings, as described in notes 17 and 19.

II. Categories of financial instruments

₹ in lakhs

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	31 March 2025		31 March 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Loans	1,106.50	1,106.50	1,529.76	1,529.76
Other financial assets	1,316.99	1,316.99	2,821.20	2,821.20
Trade receivables	3,484.66	3,484.66	7,371.00	7,371.00
Cash and cash equivalents	77.87	77.87	4,935.47	4,935.47
Bank balances other than cash and cash equivalents	1,133.89	1,133.89	1,040.98	1,040.98
Total financial assets at amortised cost	**7,119.91**	**7,119.91**	**17,698.41**	**17,698.41**
Financial liabilities				
Measured at amortised cost				
Long term borrowings	10,153.42	10,153.42	28,220.95	28,220.95
Short term borrowings	44,153.46	44,153.46	21,607.97	21,607.97
Lease liabilities	23.70	23.70	82.28	82.28
Trade payables	60,734.36	60,734.36	19,191.86	19,191.86
Other financial liabilities	13,419.01	13,419.01	13,407.79	13,407.79
Total financial liabilities at amortised cost	**1,28,483.95**	**1,28,483.95**	**82,510.85**	**82,510.85**

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III. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade and other payables, security deposits taken, employee liabilities. The Company's principal financial assets include trade and other receivables, loans given and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance function provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and approves policies for managing each of these risks, which are summarised below.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

IV. 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 the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

V. Foreign currency risk management

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 costs of imports, primarily in relation to raw materials.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2025 **₹ in lakhs**

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	1,106.50	-	-	-	1,106.50
Trade receivables	3,484.66	-	-	-	3,484.66
Cash and cash equivalents	77.17	0.46	-	0.23	77.87
Bank balances other than cash and cash equivalents	1,133.89	-	-	-	1,133.89
Other financial assets	1,316.99	-	-	-	1,316.99
Total financial assets	**7,119.22**	**0.46**	-	**0.23**	**7,119.91**
Financial liabilities					
Long term borrowings	15,001.05	4,044.31	9,660.78	-	28,706.14
Lease liabilities	23.70	-	-	-	23.70
Short term borrowings	19,029.16	6,571.56	-	-	25,600.73
Trade payables	50,332.98	10,360.83	40.56	-	60,734.36
Other financial liabilities	11,406.76	550.04	1,462.21	-	13,419.01
Total financial liabilities	**95,793.65**	**21,526.74**	**11,163.55**	-	**1,28,483.94**

Currency exposure as at 31 March 2024 **₹ in lakhs**

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	1,529.76	-	-	-	1,529.76
Trade receivables	7,371.00	-	-	-	7,371.00
Cash and cash equivalents	4,934.79	0.45	-	0.23	4,935.47
Bank balances other than cash and cash equivalents	1,040.98	-	-	-	1,040.98
Other financial assets	2,821.20	-	-	-	2,821.20
Total financial assets	**17,697.73**	**0.45**	-	**0.23**	**17,698.41**
Financial liabilities					-
Long term borrowings	14,954.51	3,951.15	9,315.29	-	28,220.95
Lease liabilities	82.28	-	-	-	82.28
Short term borrowings	9,919.34	11,688.64	-	-	21,607.97
Trade payables	19,191.21	0.65	-	-	19,191.86
Other financial liabilities	10,559.79	1,685.79	1,162.21	-	13,407.79
Total financial liabilities	**54,707.13**	**17,326.23**	**10,477.50**	-	**82,510.85**

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The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivable USD/INR	0.01	0.01	(0.01)	(0.01)
Payable USD/INR	(215.27)	(173.26)	215.27	173.26

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivable EURO/INR	-	-	-	-
Payable EURO/INR	(111.64)	(104.78)	111.64	104.78

Unhedged currency risk position

i) Amount receivable in foreign currency

₹ in lakhs

Particulars	31 March 2025		31 March 2024	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Foreign currency in hand	0.01	0.70	0.01	0.68
Total	**0.01**	**0.70**	**0.01**	**0.68**

ii) Amount payable in foreign currency

₹ in lakhs

Particulars	31 March 2025		31 March 2024	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Long term borrowings	140.33	13,705.09	157.99	13,266.44
Short term borrowings	76.46	6,571.56	139.20	11,688.64
Trade payables	120.94	10,401.38	0.01	0.65
Other financial liabilities	20.52	2,012.26	33.90	2,848.00
Total	**358.25**	**32,690.29**	**331.10**	**27,803.73**

VI. Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of iron ore, coal, ferro alloys, scrap and other raw material inputs. The Company purchased all of its iron ore and coal requirements from third parties in the open market during the year ended 31 March 2025.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials in general move in the same direction.

The Company is exposed to commodity price risk on account of not using commodity hedging to manage volatility in commodity prices.

The following table details the Company's sensitivity to a 5% movement in the input price of Iron ore, Coal & Coke. The sensitivity analysis includes only 5% change in commodity prices for quantity purchased or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice versa.

₹ in lakhs

Commodity	Increase		Decrease	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Iron ore	7,161.64	6,069.82	(7,161.64)	(6,069.82)
Coal & Coke	6,616.54	5,218.22	(6,616.54)	(5,218.22)

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VII. 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 is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees, US dollars and EURO with floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate, SOFR and EURIBOR. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's floating rate borrowings: **₹ in lakhs**

Particulars	31 March 2025	31 March 2024
Fixed rate borrowings	-	-
Floating rate borrowings	54,357.09	49,960.29
Total gross borrowings	**54,357.09**	**49,960.29**
Less: Unamortised discount and transaction costs	(50.22)	(131.37)
Total borrowings (refer note 17)	**54,306.87**	**49,828.92**

VIII. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets. Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. Two customers accounted for FY 2024-25 for 10.00% or more of revenue in any of the years indicated (one customer for FY 2023-24). The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties and accordingly, the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2025 is considered adequate.

Movement in allowance for bad and doubtful debts **₹ in lakhs**

Particulars	Amount
Ast at 01 April 2023	49.49
Additional Allowance	-
Reversal During the year	-
As at 31 March 2024	**49.49**
Additional Allowance	-
Reversal During the year	-
As at 31 March 2025	**49.49**

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 7,119.90 lakhs as at 31 March 2025 and ₹ 17,698.41 lakhs as at 31 March 2024, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2025 is considered adequate.

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

The Company's maximum exposure to the credit risk for the components of balance sheet as at 31 March 2025 and 31 March 2024 is the carrying amounts mentioned in note no 13 (trade receivables note).

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IX. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows that are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March 2025 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	1,102.41	4.09	-	1,106.50
Trade receivables	3,484.66	-	-	3,484.66
Cash and cash equivalents	77.87	-	-	77.87
Bank balances other than cash and cash equivalents	1,133.89	-	-	1,133.89
Other financial assets	916.52	52.83	347.63	1,316.99
Total financial assets	**6,715.35**	**56.92**	**347.63**	**7,119.91**
Financial liabilities				
Long term borrowings	18,552.73	10,153.42	-	28,706.14
Short term borrowings	25,600.73	-	-	25,600.73
Lease liabilities	7.98	15.72	-	23.70
Trade payables	60,734.36	-	-	60,734.36
Other financial liabilities	13,419.01	-	-	13,419.01
Total financial liabilities	**1,18,314.81**	**10,169.14**	**-**	**1,28,483.94**

Liquidity exposure as at 31 March 2024 **₹ in lakhs**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	1,527.76	2.00	-	1,529.76
Trade receivables	7,371.00	-	-	7,371.00
Cash and cash equivalents	4,935.47	-	-	4,935.47
Bank balances other than cash and cash equivalents	1,040.98	-	-	1,040.98
Other financial assets	2,423.22	47.78	350.21	2,821.21
Total financial assets	**17,298.43**	**49.78**	**350.21**	**17,698.42**
Financial liabilities				
Long term borrowings	-	28,220.95	-	28,220.95
Short term borrowings	21,607.97	-	-	21,607.97
Lease liabilities	58.58	23.70	-	82.28
Trade payables	19,191.86	-	-	19,191.86
Other financial liabilities	13,407.79	-	-	13,407.79
Total financial liabilities	**54,266.20**	**28,244.65**	**-**	**82,510.85**

X. Level wise disclosure of financial instruments

The carrying amount of financial assets and financial liabilites as stated above is considered to be same of it's fair values.
There are no transfers between level 1, Level 2 and Level 3 during the period.
The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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36. Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund recognized in statement of profit & loss is ₹ 553.27 lakhs (for the year ended 31 March 2024: ₹ 431.51 lakhs) (included in note 27).

B. Defined benefit plan:

The Company sponsors funded defined benefit plans for all qualifying employees. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of completed service until the retirement age of 58 years as per the provisions of The Payment of Gratuity Act, 1972. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk, market risk, investment risk and longevity risk.

i. Interest rate risk:

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and thus result in an increase in the value of the liability (as shown in financial statements).

ii. Liquidity risk:

This is the risk that the company is not able to meet the short-term gratuity payouts. This may rise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii. Salary escalation risk:

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv. Demographic risk:

The company has used certain mortality and attrition assumptions in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

v. Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of The Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulation requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of ₹ 20.00 lakhs).

vi. Market risk:

The duration of the liability is longer compared to the duration of the assets, exposing the company to market risk for volatities/fall in interest rate.

vii. Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

viii. Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2025 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (funded)

a. Liability recognized in the balance sheet

₹ in lakhs

Particulars	For the year ended	
	31 March 2025	31 March 2024
Present value of obligation		
Present Value of obligation as at the beginning of the year	1,468.16	1,291.08
Current service cost	189.76	148.96
Interest cost	104.90	95.74
Actuarial (gain) / loss on obligation	173.25	27.84
Benefits paid	(108.71)	(95.46)
Present value of obligation as at the end of the year	**1,827.36**	**1,468.16**

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₹ in lakhs

Change in the fair value of plan assets	31 March 2025	31 March 2024
Fair value of plan assets as at the beginning of the year	1,514.65	1,366.16
Interest income	108.22	101.31
Employers Contributions	173.94	134.38
Benefits paid	(108.71)	(95.46)
Return on plan assets , excluding amount recognised in net interest expense	12.42	8.26
Fair value of plan assets as at the end of the year	**1,700.53**	**1,514.65**
Reconciliation of present value of obligation and the fair value of the plan assets		
Closing defined benefit obligation	1,827.36	1,468.16
Closing fair value of plan assets	1,700.53	1,514.65
Net liability (recognized) / reversed for the year	**(126.83)**	**46.49**

b. Expenses recognised in the profit and loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2025	31 March 2024
Current and past service cost	189.76	148.96
Interest cost (net)	(3.32)	(5.57)
Expenses recognised in the income statement	**186.44**	**143.38**

c. Other comprehensive income

₹ in lakhs

Particulars	For the year ended	
	31 March 2025	31 March 2024
Actuarial (gains) / losses	173.25	27.84
Return on plan assets, excluding amount recognised in net interest expense	(12.42)	(8.26)
Components of defined benefit costs recognised in other comprehensive income	**160.83**	**19.58**

d. Principal actuarial assumptions:

Particulars	For the year ended	
	31 March 2025	31 March 2024
Discount factor	6.60%	7.15%
Expected rate of salary increase	8.90%	8.00%
Attrition rate	11.00%	9.50%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

e. Experience adjustments:

₹ in lakhs

Particulars	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
Defined benefit obligation	1,827.36	1,468.16	1,291.08	1,243.51	1,213.84
Plan assets	1,700.53	1,514.65	1,366.16	1,235.92	1,115.77
Surplus/(deficit)	**(126.83)**	**46.49**	**75.08**	**(7.58)**	**(98.07)**
Experience adjustments on plan liabilities-loss/(gain)	173.25	27.84	(87.31)	(102.71)	(77.00)
Experience adjustments on plan assets-loss/(gain)	(12.42)	(8.26)	(5.19)	(1.08)	(8.06)

f. The Company expects to contribute ₹ 347.46 lakhs (31 March 2024: ₹ 127.13 lakhs) to its gratuity plan for the next year.

g. In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to date mortality tables, the base being the Indian assured lives mortality (2012-14).

h. Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

i. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

j. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

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Sensitivity analysis

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

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Defined benefit obligation (base)	1,827.36	1,468.16

Particulars	31 March 2025		31 March 2024	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	1,958.97	1,710.10	1,578.26	1,370.42
(% change compared to base due to sensitivity)	7.20%	-6.40%	7.50%	-6.70%
Salary growth rate (- / + 1%)	1,714.85	1,949.92	1,373.03	1,572.83
(% change compared to base due to sensitivity)	-6.20%	6.70%	-6.50%	7.10%
Attrition rate (- / + 50% of attrition rates)	1,950.93	1,749.86	1,505.89	1,442.52
(% change compared to base due to sensitivity)	6.80%	-4.20%	2.60%	-1.70%
Mortality rate (- / + 10% of mortality rates)	1,827.75	1,826.97	1,468.27	1,468.05
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of plan assets (as percentage of total plan assets)

Particulars	31 March 2025	31 March 2024
Fund managed by LIC	100.00%	100.00%

Asset liability matching strategies

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy. The trust has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of the funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which could result in increase in liability without corresponding increase in the assets).

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows) is 8 years

₹ in lakhs

Expected cash flows over the next (valued on undiscounted basis)	31 March 2025	31 March 2024
1 year	213.56	159.62
2 to 5 years	840.69	666.57
6 to 10 years	844.05	704.00
More than 10 years	1,205.68	1,164.39







C. Compensated leave absences (unfunded)

- Liability recognized in the balance sheet

₹ in lakhs

Particulars	For the year ended	
	31 March 2025	31 March 2024
Present value of obligation		
Present value of obligation as at the beginning of the year	623.70	507.31
Current service cost	164.96	134.08
Interest cost	44.56	37.62
Actuarial (gain) / loss on obligation	124.68	35.71
Benefits paid	(141.33)	(91.03)
Present value of obligation as at the end of the year	**816.57**	**623.70**
Net liability recognized in the balance sheet	**816.57**	**623.70**

- Expenses recognised in the profit & loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2025	31 March 2024
Current service cost	164.96	134.08
Interest cost	44.56	37.62
Actuarial (gain) / loss on obligation	124.68	35.71
Expenses recognised in the income statement	**334.20**	**207.41**

- Principal actuarial assumptions

Particulars	For the year ended	
	31 March 2025	31 March 2024
Discount factor	6.60%	7.15%
Salary increase	8.90%	8.00%
Attrition rate	11.00%	9.50%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

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37 **Contingent liabilities:**

₹ in lakhs

	Particulars	31 March 2025	31 March 2024
A	Disputed claims/levies (excluding interest and penalties if any), in respect of		
i)	Income tax matters, pending decisions on various appeals made by the company	11,168.30	11,225.00
ii)	Service tax	-	1,238.99
iii)	Excise duty	606.01	706.38
iv)	GST	2,686.73	-
v)	Goa Transport cess	3,294.68	3,294.68
vi)	MSME Creditors	425.61	425.61
vii)	Demand from Power Utilities	5,697.28	3,484.72
viii)	Karnataka State Forest Transit fees	150.70	-
ix)	Panchayat Tax	1,418.28	-
x)	Others	276.09	276.09

B. Forest development tax/fee:

In 2008, the State of Karnataka levied Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT before Karnataka High Court by various stakeholders (including BMM Ispat Limited) were filed to which the Hon'ble High Court of Karnataka has granted partial relief by a judgement dated 3 December, 2015. The High Court vide its judgment has directed refund of the entire amount of FDT collected by State Government on sale of iron ores by private lease operators and NMDC. The State Government has filed an appeal before the Supreme Court of India. The Hon'ble Court has not granted stay on the operation of the judgment but only stayed refund of FDT. The matter is yet to be heard by the Hon'ble Supreme Court of India. The company has discharged said levy and treated the levy as cost of procurement and included in purchase price.

The State of Karnataka on 27 July, 2016, has amended Section 98-A of the Forest Act retrospectively and substituted the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the company, the Hon'ble High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the Hon'ble Supreme Court of India and the same is currently pending. Based on merits of the case and supported by a legal opinion, the company has not recognised provision for FDF of ₹ 44,589.94 lakhs as at 31 March 2025 and ₹ 39,377.75 lakhs as at 31 March 2024 (including paid under protest and disclosed as receivable ₹ 1,298.22 lakhs) and treated it as a contingent liability.

38 **Commitments**

₹ in lakhs

	Particulars	31 March 2025	31 March 2024
A	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	10,848.31	17,985.05

The above commitment also includes ₹ 829.62 lakhs towards Rehabilitation and settlement of Gunda Station Village Residents as on 31st March 2025 (₹ 844.62 lakhs as on 31st March 2024).

Other commitments:

The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to:

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Export promotion capital goods scheme	30,415.62	30,226.48

The company is also involved in other lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business, however, there are no such matters pending that the company expects to be material in relation to its business.

39 The company has given counter guarantees to banks towards guarantees issued by them on behalf of the company: ₹ 964.24 lakhs (31 March 2024: ₹ 939.74 lakhs)

40 Based on the information available with the Company, Principal amount due to micro and small enterprises as defined under MSMED Act, 2006 is ₹ 4,908.85 lakhs (31 March 2024: ₹ 3,654.00 lakhs). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is ₹ Nil (31 March 2024: ₹ Nil).

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₹ in lakhs

S No	Particulars	31 March 2025	31 March 2024
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4,908.85	3,654.00
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
G	Further interest remaining due and payable for earlier years	-	-

41 (1) During the FY 2019-20, the company had entered into a binding strategic investment agreement with M/s. JSW Projects Limited ("Investor") pursuant to which the investor was desirous of investing ₹ 50,000.00 lakhs by way of subscription to the securities to be issued by the company. Subsequently, the company entered into an amendment agreement to the strategic investment agreement referred to above on 22 October 2020 with the investor, pursuant to which the company has allotted the following securities on 27 October 2020 to:

a. Investor

- 10,12,85,330 equity shares of ₹ 10 each amounting to ₹ 10,128.53 lakhs.
- 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each amounting to ₹ 23,853.09 lakhs.
- 16,01,83,717 Series A-Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each amounting to ₹ 16,018.37 lakhs.

b. Mr. Dinesh Kumar Singhi and Mrs. Snehalatha Singhi ("promoters")

- 20,02,49,805 and 4,81,16,473 Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively for the total amounting to ₹ 24,836.63 lakhs in lieu of outstanding loan amounts due by the company.

Further, On 16 December 2020, upon satisfactory completion of conditions referred to in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.

Post issuance of the above securities, the investor owns 58.47% & promoters own 41.53% equity in the company.

Further, after the completion of 48 months from the date of allotment of securities to the investor, the promoters have a right to buy investor's share of equity between 48-60 months. However, if the promoters do not exercise the said right then the investor has the right to buy promoters share of equity between 60-72 months.

(2) On 27 October 2020, the company received an amount of ₹ 5,000.00 lakhs from the investor as subordinate loan and the same is repaid on 26 Novemner 2021.

(3) On 02 November 2020, the company allotted 7,250 Non-Convertible Debentures of ₹ 10,00,000 each issued at a discount of 1% amounting to ₹ 71,775.00 lakhs to M/s. J.P. Morgan Securities Asia Private Limited. The company has redeemed the debentures in full on 26 November 2021.

(4) All the above proceeds including internal accruals were utilized for one time settlement of loans (incl. working capital loans) availed from Edelweises Asset Reconstruction Company (EARC) and Adithya Birla Asset Reconstruction Company (ABARC). Accordingly, the company paid ₹ 1,29,789.00 lakhs to EARC and ₹ 20,669.00 lakhs to ABARC towards full and final settlement of their respective loans.
Post the above settlements, the balance loan outstanding in the books to EARC and ABARC amounting to ₹ 2,54,176.95 lakhs and an amount of ₹ 3.87 lakhs due to the promoters, has been written back and treated as an exceptional income in the statement of profit and loss for the year ended 31 March 2021.

Segment reporting:

42 The company is in the business of manufacturing iron and steel products having similar economic characteristics, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

a) **Revenue from operations**

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Domestic	3,10,181.15	2,87,661.90
Export	-	-
Total	**3,10,181.15**	**2,87,661.90**

Revenue from operations have been allocated on the basis of location of customers.

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b) **Non-Current Assets**

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

c) **Customers contributing more than 10% of Revenue**

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Group*		
JSW Steel Limited	48,673.20	38,881.40
Other than Group		
Sugna Metals Limited	42,816.28	39,401.83
Total	**91,489.48**	**78,283.23**

43 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR Committee has been formed by the company as per the Act.

₹ in lakhs

a.

Particulars	31 March 2025	31 March 2024
(i) amount required to be spent by the company during the year	651.80	1,887.88
(ii) amount of expenditure incurred	510.05	1,415.72
(iii) shortfall provided at the end of the year	141.75	472.16
(iv) total of previous years shortfall provided	639.88	700.40
(v) reason for shortfall	Refer 'c' below	
(vi) nature of CSR activities	Health & Nutrition, Improving Education; Water, Environment & Sanitation; Rural Development projects, Skill Enhancement & livelihood, Promotion of rural sports and Art & Culture.	
(vii) details of related party transactions, e.g., contribution to a trust (JSW Foundation) controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	364.02	1,205.21
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Refer 'd' below	

b. **Amount earmarked for on-going projects:**

₹ in lakhs

Particulars	31 March 2025			31 March 2024		
	With company	in separate CSR Unspent A/c	Total	With company	in separate CSR Unspent A/c	Total
Opening Balance	**472.16**	**700.40**	**1,172.57**	**802.43**	**172.48**	**974.91**
Amount required to spent at the end of the year	141.75	-	**141.75**	472.16	-	**472.16**
Transfer to separate Unspent CSR A/c	(472.16)	472.16	-	(802.43)	802.43	-
Income earned on Unspent CSR amount	-	38.01	**38.01**	-	52.81	**52.81**
Amount spent during the year	-	(570.69)	**(570.69)**	-	(327.32)	**(327.32)**
Closing Balance	**141.75**	**639.88**	**781.64**	**472.16**	**700.40**	**1,172.57**

c. The unspent amount on ongoing projects as at 31 March 2025 aggregating to ₹ 141.75 lakhs (31 March 2024 ₹ 472.16 lakhs) was deposited in separate CSR unspent account within the timeline stipulated as per the Companies Act, 2013.

d. **Details of movement in provisions in FY 2024-25:**

₹ in lakhs

Opening Provision	Spent during the year	Income earned on Unspent CSR amount	Current year provision	Closing provision
1,172.57	570.69	38.01	141.75	781.64

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44 **Related party disclosures as per Ind AS 24:**

SL No.	Description of relationship	Names of related parties
A.	Holding company	JSW Projects Limited
B.	Enterprise over which KMP and relative of such KMP exercise significant influence.	Ranjitpura Infrastructure Pvt Ltd Bharat Mines & Minerals
C.	Other related parties	JSW Steel Limited JSW Cement Limited Ennore Coal Terminal Private Limited South West Mining Limited Everbest Consultancy Services Private Limited JSW Foundation Adarsh Advisory Services Private Limited Bhushan Power & Steel Limited JSW Steel coated products Limited JSW Structural Metal Decking Limited JSW Ispat Special Products Limited Mangalore Coal Terminal Private Limited JSW Minerals Trading Private Limited JSW Energy Limited South West Port Limited JSW Paints Private Limited JSW International Tradecorp Pte Limited JSW Infrastructure Limited JSW Vijayanagara Metallics Limited JSW Defence Private Limited (Formally Known as JSW Multiventures Private Limited) Gagan Trading Company Private Limited Amba River Coke Limited JSW Sarbloh Motors Private Limited
D.	Key Management Personnel (KMP)	
	Non-Executive Director	Mr. Dinesh Kumar Singhi. Mr.Pawan Kumar Kedia
	Whole Time Director, CEO & Chairman	Mr. Vimal Singh
	Executive Director & CFO	Mr. V.V.V Raju
	Whole Time Director	Mr. Rajendra Moondra
	Independent Directors	Mr. Krishna Desika Dr. Rakhi Jain
	Company Secretary	Ms. Swetha S
E.	Post-employment benefits entities	BMM Ispat Limited Employees Group Gratuity Assurance Scheme

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I. Transactions with related parties

₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Sale of goods								
JSW Steel Limited	-	-	-	-	57,389.58	45,876.54	57,389.58	45,876.54
JSW Defence Pvt Ltd	-	-	-	-	258.41	-	258.41	-
JSW Sarbloh Motors Private Limited	-	-	-	-	849.87	-	849.87	-
Gagan Trading Company Pvt Ltd	-	-	-	-	808.71	-	808.71	-
Bhushan Power & Steel Ltd	-	-	-	-	0.52	-	0.52	-
JSW Cement Limited	-	-	-	-	11.89	-	11.89	-
JSW Vijayanagar Metallics Limited					1,123.18	-	1,123.18	-
Other income								
-Plot rent waived								
Mangalore Coal Terminal Pvt Ltd	-	-	-	-	1.18	-	1.18	-
-Punitive charges								
Mangalore Coal Terminal Pvt Ltd	-	-	-	-	0.37	-	0.37	-
-Discount received	-	-	-	-			-	-
JSW Steel Limited	-	-	-	-	41.71	-	41.71	-
-Dispatch Money earned								
JSW International Tradecorp Pte Ltd,	-	-	-	-	14.98	17.47	14.98	17.47
-Differential Ocean Freight								
JSW International Tradecorp Pte Ltd,	-	-	-	-	101.23	-	101.23	-
-Demurrage charges earned								
JSW International Tradecorp Pte Ltd,	-	-	-	-	39.58	-	39.58	-
							-	-
							-	
Recovery of expenses								
JSW Steel Limited	-	-	-	-	89.68	-	89.68	-
Mangalore Coal Terminal Pvt Ltd	-	-	-	-	-	1.30	-	1.30
Sale of Capital Assets								
Ranjitpura Infrastructure Pvt Ltd	-	-	-	57.34	-	-	-	57.34

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Purchase of goods/services								
JSW Steel Limited	-	-	-	-	13,715.33	9,400.47	13,715.33	9,400.47
JSW Cement Limited	-	-	-	-	378.19	737.47	378.19	737.47
JSW International Tradecorp Pte Ltd,	-	-	-	-	74,834.78	46,054.85	74,834.78	46,054.85
Ennore Coal Terminal Private Limited	-	-	-	-	833.34	1,052.41	833.34	1,052.41
Everbest Consultancy Services Private Limited	-	-	-	-	26.33	45.15	26.33	45.15
Mr. Dinesh Kumar Singhi	-	-	-	-	85.86	81.09	85.86	81.09
Amba River Coke Ltd.	-	-	-	-	1,415.94	-	1,415.94	-
JSW Minerals Trading Pvt Ltd	-	-	-	-	2,445.88	-	2,445.88	-
JSW Infrastructure Limited	-	-	-	-	-	13.80	-	13.80
JSW Energy Limited	-	-	-	-	-	980.73	-	980.73
Mangalore Coal Terminal Pvt Ltd	-	-	-	-	3,084.23	2,155.10	3,084.23	2,155.10
Ranjitpura Infrastructure Pvt Ltd	-	-	16,404.35	5,900.59	-	-	16,404.35	5,900.59
Bharat Mines&Minerals	-	-	247.02	143.34	-	-	247.02	143.34
JSW Steel Coated Products Limited	-	-	-	-	225.85	398.84	225.85	398.84
JSW Structural Metal Decking Limited	-	-	-	-	-	40.16	-	40.16
JSW Paints Pvt Ltd	-	-	-	-	-	5.40	-	5.40
South West Port Limited	-	-	-	-	-	13.19	-	13.19

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CSR Expenses								
JSW Foundation	-	-	-	-	926.46	1,532.53	926.46	1,532.53
Interest paid								
JSW International Tradecorp Pte Ltd,	-	-	-	-	602.71	-	602.71	-
Demurrage charges								
JSW International Tradecorp Pte Ltd,	-	-	-	-	97.74	-	97.74	-
Dispatch Incurred								
JSW International Tradecorp Pte Ltd,	-	-	-	-	31.84	-	31.84	-
Interest income							-	
South West Mining Limited	-	-	-	-	-	240.60	-	240.60
Everbest Consultancy Services Private Limited	-	-	-	-	-	639.23	-	639.23
Adarsh Advisory Services Private Limited	-	-	-	-	-	1,042.53	-	1,042.53
Ranjitpura Infrastructure Pvt Ltd	-	-	-	125.52	-	-	-	125.52
Loans given to and repaid during the year							-	
South West Mining Limited	-	-	-	-	-	3,500.00	-	3,500.00
Adarsh Advisory Services Private Limited	-	-	-	-	-	12,500.00	-	12,500.00
Everbest Consultancy Services Private Limited	-	-	-	-	-	8,000.00	-	8,000.00
Ranjitpura Infrastructure Pvt Ltd	-	-	-	1,500.00	-	-	-	1,500.00
Total Amount	**-**	**-**	**16,651.37**	**7,726.79**	**1,59,435.35**	**1,34,328.88**	**1,76,086.72**	**1,42,055.66**

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II. Amount due to / from related parties ₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Trade payables								
JSW Steel Limited	-	-	-	-	916.25	144.01	916.25	144.01
JSW Cement Limited	-	-	-	-	32.57	24.24	32.57	24.24
Everbest Consultancy Services Pvt Ltd	-	-	-	-	2.41	5.52	2.41	5.52
JSW International Tradecorp Pte Ltd,	-	-	-	-	15,887.22	-	15,887.22	-
Bharat Mines and Minerals	-	-	-	-	4.18	-	4.18	-
Mangalore Coal Terminal Pvt Ltd	-	-	-	-	2,531.73	609.61	2,531.73	609.61
JSW Minerals Trading Pvt Ltd,	-	-	-	-	2,440.98	-	2,440.98	-
Ranjitpura Infrastructure Pvt Ltd	-	-	-	-	1,446.51	-	1,446.51	-
Amba River Coke Ltd.	-	-	-	-	1,414.64	-	1,414.64	-
South West Port Limited	-	-	-	-	-	1.92	-	1.92
JSW Foundation	-	-	-	-	178.69	-	178.69	-
Creditor for expenses								
Mr. Dinesh Kumar Singhi	-	-		-	-	6.55	-	6.55
Revenue advances							-	-
JSW Steel Limited	-	-	-	-	243.11	196.23	243.11	196.23
JSW Vijayanagara Metallics Ltd	-	-	-	-	3.50	-	3.50	-
JSW International Tradecorp Pte Ltd	-	-	-	-	-	10.88	-	10.88
Ranjitpura Infrastructure Pvt Ltd	-	-	-	85.09	-	-	-	85.09

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Capital advances								
JSW Steel Coated Products Limited	-	-	-	-	34.37	24.57	34.37	24.57
JSW Structural Metal Decking Limited	-	-	-	-	-	0.00	-	0.00
JSW Steel Limited	-	-	-	-	-	80.63	-	80.63
Trade receivables								
JSW Steel Limited	-	-	-	-	4,213.97	6,949.63	4,213.97	6,949.63
GAGAN Trading Company Pvt Ltd	-	-	-	-	57.96	-	57.96	-
JSW Sarbolh Motors Pvt Ltd	-	-	-	-	5.37	-	5.37	-
JSW Vijayanagar Metallics Limited	-	-	-	-	2.05	-	2.05	-
Rental deposit								
Mr. Dinesh Kumar Singhi	-	-	-	-	40.00	40.00	40.00	40.00

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Compensation to Key Management Personnel

Particulars
Short-term employee benefits
Total Compensation to Key Managerial Personnel

III. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (BMM Ispat Limited employees group gratuity assurance scheme). During the year, the company contributed ₹ 173.94 lakhs (31 March 2024: ₹ 134.38 lakhs). The fair value of plan assets as at 31 March 2025 is ₹ 1,700.52 lakhs (31 March 2024: ₹ 1,514.64 lakhs).

IV. Compensation to key management personnel

₹ in lakhs

Particulars	31 March 2025	31 March 2024
Short-term employee benefits	460.91	373.07
Total compensation to key managerial personnel	**460.91**	**373.07**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Independent Non-Executive Directors along with one Non-Executive Director are paid remuneration by way of sitting fees. The sitting fees payable to the Directors are based on the number of meetings of the Board, its Committees attended by them as Member or as Invitee. The Company pays sitting fees at the rate of ₹ 0.50 lakhs for each meeting of the Board, ₹ 0.20 lakhs for each meeting of the Board's Committees and ₹ 0.20 lakhs for Independent Non-Executive Director for attending the Independent Directors' meeting. The Company paid an amount of ₹ 13.50 lakhs as on 31 March 2025 (31 March 2024: ₹ 16.30 lakhs), which is not included above

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45 The following are the analytical ratios for the year ended 31 March 2025 and 31 March 2024.

S NO	Particulars	Numarator	Demonimator	31 March 2025	31 March 2024	Variance	Variance (%)	Reasons for Variance
(i)	Current Ratio	Current Assets	Current Liabilities	0.73	1.30	(0.57)	-44%	(a)
(ii)	Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.19	0.17	0.02	13%	
(iii)	Debt service coverage ratio	Earnings available for Debt Service	Debt Serivce	0.15	2.02	(1.87)	-93%	(b)
(iv)	Return on Equity Ratio	Net Profit after Taxes	Shareholder's Equity	-4%	3%	-7%	-234%	(b)
(v)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	3.47	4.82	(1.35)	-28%	(c)
(vi)	Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	57.15	45.46	11.68	26%	(d)
(vii)	Trade payables turnover ratio	Purchases	Average Trade Payables	6.90	16.32	(9.42)	-58%	(a)
(viii)	Net Capital turnover ratio	Revenue	Working Capital	(8.44)	14.44	(22.88)	-158%	(a)
(ix)	Net Profit Ratio	Net Profit after tax	Revenue from operations	-3.76%	3.16%	-7%	-219%	(b)
(x)	Return on Capital Employed	Earning Before Interest and Taxes	Captail Employed	-3.20%	4.86%	-8%	-166%	(b)
(xi)	Return on Investments	Not Applicable*						

* The company does not have any investments during the year / previous year

(a)	During the FY 2024-25, the ISP operations have been commenced post commissioning of Blast Furnace plant. Due to stabilisation of blast furnace plant and trial run losses, the overall current liabilities increased as compared to previous year.
(b)	The company experienced a significant rise in Raw-material prices during the year FY 2024-25. However, steel prices did not increase proportionately due to subdued demand across the industry. Further, the restart of ISP operations involved substantial expenditure, which impacted EBITDA margins. As a result, the overall Earnings / EBIDTA for FY 2024-25 is less compared to previous years.
(c)	During the FY 2024-25, due to ISP operations, the finished goods inventory is substantially increased as compared to previous year.
(d)	During the FY 2024-25, the trade receivable turnover ratio is better than previous year as the current year turnover is higher than previous year and the receivables are lower than the previous year.

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46 **Trial Run Operations:**

The Company has commissioned the Blast Furnace Plant on 22 November 2024, the plant is under trial run operation as on 31 March 2025. The summary of Income/expenduiture during trial operation period is as under:

	₹ in lakhs
Particulars	**FY 2024-25**
Revenue from Trial Operations	6,606.61
Total Income (I)	**6,606.61**
Expenses	
Cost of materials consumed	19,179.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,233.31)
Employee benefit expenses	355.48
Depreciation and amortization expenses	1.30
Other expenses	2,107.03
Total expenses (II)	**20,409.86**
Trial Period Loss (I)-(II)	**(13,803.25)**

The net trial run expenditure of ₹ 13,803.25 lakhs as on 31 March 2025 transferred to Capital Work-in Progress during the year.

The Finished goods Inventory under Trial run operation as on 31 March, 2025 is ₹ 1,233.31 lakhs forming part of inventory as on 31 March 2025.

Product wise Turnover: **₹ in lakhs**

Particulars	**As at 31 March 2025**
Pig Iron	6,485.56
Granulated Slag	121.04
Total Amount	**6,606.61**

The Revenue as disclosed in Profit and Loss statement is net off trial run revenue.
The Expenses as disclosed in Profit and Loss statement is net off trial run expenses under relavent head of profit and loss statement.

47 During the previous year the company has changed the accounting software from Microsoft Navision to SAP effective from 01 February 2024.

48 The Company received Environmental Clearance (EC) on 20 July 2023 for steel plant expansion from Ministry of Environment, Forest and Climate Change (MoEFCC), mandating the Company to spend ₹ 8,000 lakhs over a period of 3 years on public interest activities such as health, education, environment, water, infrastructure, and livelihood. Additionally, the company is also required to adopt 5 villages with in a period of 10 years at a cost of ₹ 3,000 lakhs.
The Company has requested MoEFCC letter dated 20 December 2023, to reduce the total expenditure of ₹ 11,000 lakhs to ₹ 5,000 lakhs and will be spent on right earnest pro-rata basis over the project's implementation and commissioning period of 7-10 years.

49 The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 01 April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the previous year the Company used Micrsoft Navision upto 31 January 2024 & SAP from 01 February 2024 as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility.

The audit trail features was enabled and operative throughout the financial year for the transactions recorded in the software impacting books of account at application level and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

50 Change in method of Valuation of Raw-materials & Finished Goods:

There is a change in method of valuation of inventories from 01 February 2024, due to implementation of new ERP system i.e. SAP. As a result of which, Iron ore and Coal are being valued using specific identification method and other Inventories are being valued at monthly weighted average cost method, which were earlier valued on FIFO basis. The company has applied the said changes prospectively, as retrospective application is impracticable, due to extensive volume of purchases and numerous inventory items across the year and prior periods.

51 Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

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52 Other statutory information:

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

iv) The Company does not have any subsidiaries, associates and joint ventures.

v) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

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

vii) Quarterly returns filed by the Company with banks are in agreement with the books of accounts..

viii) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date except as stated below:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of Use	Land	607.30	KIADB*	No	23/07/2019	Proposal for Execution of Absolute Sale deed is in process.
Right of Use	Land	40.46	KIADB*	No	17/05/2020	
Right of Use	Land	42.14	KIADB*	No	27/12/2020	
Right of Use	Land	60.92	KIADB*	No	20/10/2020	
Right of Use	Land	149.98	KIADB*	No	27/06/2022	
Right of Use	Land	4,882.40	KIADB*	No	05/07/2022	
Right of Use	Land	1,170.89	KIADB*	No	06/11/2024	
Right of Use	Land	425.31	KIADB*	No	26/02/2023	

*** Karnataka Industrial Area Development Board**

ix) The Company does not have any transactions with companies which are struck off.

For and on behalf of the Board of Directors

V.V.V. RAJU
Exe. Director & CFO
DIN: 07303177
Place: Danapura
Date: 28-05-2025

VIMAL SINGH
Whole Time Director & CEO
DIN: 08059827
Place: Danapura
Date: 28-05-2025

SWETHA S
Company Secretary
M. No:F11494
Place: Danapura
Date: 28-05-2025

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BMM ISPAT LIMITED
Financial Statements for the year ended 31 March 2025

Notes to financial statements for the year ended 31 March 2025

1. Corporate Information

BMM Ispat Limited (formerly known as B.M.M. Ispat Limited) ("the company") is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The company is in the business of manufacturing and selling of steel & allied products and generation of power. The Company has its registered office and manufacturing facilities located at 114 Danapura Village, Hospete Taluk, Vijayanagara (formerly known as Ballari) District of Karnataka, India.

2. Material Accounting Policies

a. Statement of compliance

These Financial Statements have been prepared in accordance with the accounting policies generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under 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) and presentation requirement of Division II of Schedule III of the Companies Act 2013.

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

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 28-May-2025

b. Basis of preparation and presentation of financial statements

The Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial instruments measured at fair values at the end of each reporting period, as stated in the accounting policies

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set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Fair value is the price that would be received to sell an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. 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

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described below. The fair value hierarchy gives the highest priority to quoted prices

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in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement dates;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. Current / Non – current Classification

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

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services

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and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. Summary of material accounting policies

I. Revenue recognition

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

Revenue from sale of by products are included in revenue.

The Company recognises revenue generally at the point in time when the products are delivered to customer which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

a. Contract assets including trade receivables

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

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the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

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

b. Contract Liabilities

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

c. Refund liabilities

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

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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II. Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment, except freehold/leasehold land, held for use in the production, supply or administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

PPE value lessthan ₹ 0.05 lakhs charges to profit & loss account.

The cost of an item of property, plant and equipment comprises of its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these 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 derecognised when replaced. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

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Capital work in progress and Capital advances:

Cost of asset not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress and is carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current assets.

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation

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

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Class of assets	Years
Plant and Machinery of Rolling Mill	20 Years
Plant and Machinery of Oxygen plant	25 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 01 April 2019 and all leases are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The company reviews residual values, useful life and depreciation method annually and, if expectations differ previous estimate, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss. Fully depreciated assets still in use are retained in financial statements.

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III. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Expenditure on development is also charged to the Statement of Profit and Loss unless the technical feasibility has been established, in which case such expenditure is capitalized. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

For transition to Ind AS, the Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

Amortization:

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

Class of assets	Years
Computer Software	03 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from

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previous estimates, such change is accounted for as a change in an accounting estimate on a prospective basis.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

IV. Borrowing Costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

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V. Government grants and subsidies

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

VI. Foreign Currency Translation

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

Initial Recognition:

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

Measurement of foreign currency items at reporting date:

At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured at fair

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value in a foreign currency, are retranslated at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are not retranslated.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

VII. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably

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certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

VIII. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, assets that are subject to depreciation and amortization are reviewed for impairment, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset

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is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss and included in depreciation and amortization expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

IX. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and

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actions required to complete such sale indicate that it is unlikely that significant change to the plan to sell will be made or that the decision to sell will be withdrawn. Further, the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortized.

X. Inventories

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

Cost of raw materials includes all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the raw materials to their present location and condition.

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

Costs of inventories are determined on Weighted Average cost for FY 2023-24 (FIFO for FY 2022-23) except in case of Iron & Coal (Bulk Raw-materials) Specific Identification method is followed. Change in accounting method is due to implementation of SAP ERP in FY23-24.

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

All the other products (by-products & scrap) are valued at Net Realizable value.

XI. Income taxes

Tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax:

Current tax is measured at the amount of tax expected to be payable on the taxable profit for the year as determined in accordance with the tax rates that have been enacted by the end of reporting period and the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is recognised using the Balance Sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to

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allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized outside profit or loss, in which case, the current and deferred tax income/expense are recognized either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

XII. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIII. Employee benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

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The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

The company operates two defined benefit plans for its employees, viz., Gratuity and leave benefits. The Company contributes to Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India towards meeting the Gratuity obligation. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary, payable for each completed year of service or part thereof subject to the maximum of ₹ 20.00 lakhs and vesting occurs upon completion of five years of service.

Recognition and measurement of Defined Benefit plans:

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

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- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- net interest expense or income and
- re-measurement.

The company presents the first two components of defined benefit costs in the statement of profit or loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for a past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other Long Term Employee benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

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XIV. Events after reporting date

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

XV. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVI. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash and cheques in hand, bank balances, and short-term deposits with banks where the original maturity is three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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XVII. Segment reporting

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

XVIII. 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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Initial measurement

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

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

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

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

A) Financial Assets:

Recognition:

i. The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

ii. The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

Subsequent measurement

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

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

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

i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 Statement of Profit and Loss, 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 Statement of Profit and Loss.

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All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets:

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

i. The contractual rights to cash flows from the financial asset expires;
ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more

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recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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Impairment:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over

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the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed by taking into account historical credit loss experience and adjusted for forward-looking information.

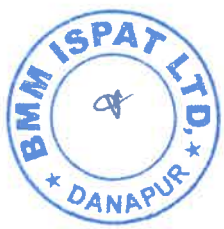
The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.







Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

B) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

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- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw

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materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognized as deferred payment liabilities.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

C) Derivative financial instruments and Hedge accounting

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and

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as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition:

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

D) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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Original classification	Revised classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.







3. Key sources of estimation uncertainty and critical accounting judgments

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Key sources of estimation uncertainty

a. Useful lives of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

BMM ISPAT LTD, DANAPUR

c. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits are probable.

d. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

e. Income Taxes

In accordance with IND AS 12 Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f. Allowance for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use

BMM ISPAT LTD. DANAPUR

BMM ISPAT LTD. DANAPUR

BMM ISPAT LTD. DANAPUR

of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g. Allowance for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that no allowance for obsolete and slow-moving inventories need to be made in the financial statements.







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INDEPENDENT AUDITORS' REPORT

To the Members of BMM ISPAT Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BMM ISPAT Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "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 the 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, 2026, its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section [illegible] 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, total comprehensive loss, 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 statements 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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.

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 clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements

may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section (3) of Section 143 of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, with reference to these financial statements refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:
      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 as at March 31, 2026 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; and

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

      iv. Based on such audit procedures considered reasonable and appropriate in the circumstances,

      a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that

the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the financial year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same was operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 26037606WFZIML5772

Place: Mumbai
Date: May 07, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2026:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, 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 Note 4A to the financial statements, are held in the name of the Company except as mentioned below:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Leasehold Land	607.30	Karnataka Industrial Area Development Board	No	23-07-2019	Lease deed has expired and proposal for execution of Absolute Sale deed is in process.
Leasehold Land	40.46	Karnataka Industrial Area Development Board	No	17-05-2020	
Leasehold Land	42.14	Karnataka Industrial Area Development Board	No	27-12-2020	
Leasehold Land	60.92	Karnataka Industrial Area Development Board	No	20-10-2020	
Leasehold Land	149.98	Karnataka Industrial Area Development Board	No	27-06-2022	
Leasehold Land	4,882.40	Karnataka Industrial Area Development Board	No	05-07-2022	
Leasehold Land	425.31	Karnataka Industrial Area Development Board	No	26-02-2023	
Leasehold Land	1,170.89	Karnataka Industrial Area Development Board	No	06-11-2024	
Leasehold Land	64.95	Karnataka Industrial Area Development Board	No	13-05-2025	

(d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.



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

ii. (a) The Inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. Quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets, in our opinion are in agreement with the unaudited books of account of the Company. The Company has not been sanctioned any working capital facility from financial institutions.

iii. During the year, the Company has granted unsecured loans to other parties, details of which are reported in para (a) (B) below and the Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnership. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

(a) (A) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable to the Company.

(B) Based on audit procedures carried on by us and as per the information & explanations given to us, the Company has granted unsecured loans to other parties as below:

(Rs. in lakhs)

Sr. No.	Loans (unsecured)	to other parties
(1)	Aggregate amount granted during the year	0.88
(2)	Balance outstanding as at balance sheet date	4.48

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the unsecured loans granted during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of overdue amount for more than ninety days in respect of loans is given below.

(Rs. in lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
1	585.00 (Net of allowance for doubtful amount of Rs. 515.00 Lakhs)	-	585.00	The Company has entered a one-time settlement with the borrower for an amount of Rs. 585 Lakhs.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no loans or advance in the nature of loan granted, which had

fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loan, provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not made any investments or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2026, for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees' State Insurance, Income-Tax, Cess, Goods and Service Tax, Value Added Tax, Excise Duty, Custom Duty and other material statutory dues which have not been deposited as at March 31, 2026 on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	**Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	91.39	AY 2012-13	Commissioner of Income Tax Appeals, Bangalore
		4,628.11	AY 2016-17	Commissioner of Income Tax Appeals, Bangalore
		58.93	AY 2017-18	Commissioner of Income Tax Appeals, Bangalore
The Customs Act, 1962	Customs Duty	331.30	FY 2012-13	Larger Bench CESTAT, Chennai
		0.86	FY 2012-13	
		1,264.16	FY 2012-13	High Court of Mumbai
The Central Excise Act, 1944	Excise Duty	1.53	FY 2014-15	Commissioner of Central Tax (A), Belgaum.

Goa Rural Improvement and welfare Cess Act, 2000	Environment Cess	264.21	FY 2009-10	High Court of Bombay at Goa
		1,981.53	FY 2009-10, FY 2011-12 & FY 2014-17	
		1,048.94	FY 2014-18	
The Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013	Goa Green Cess	780.80	FY 14-15 to FY 23-24	High Court of Bombay at Goa
Goods & Service Tax Act 2017	GST	2,160.01	FY 17-18 to FY 19-20	Commissioner (Appeals), Belgavi
Panchayath Tax	Panchayath Tax	1,668.28	FY 23-24 & FY 24-25	Hon'ble High Court of Karnataka
Karnataka Electricity (Taxation on Consumption or Sale)Act, 1959	Electricity Tax	6,877.32	FY 14-15 to FY 24-25	Hon'ble High Court of Karnataka
** These amounts are net of amount paid/ adjusted under protest Rs. 2,574.66 lakhs.				

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the 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 a 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 given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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 prima facie, used for long-term purposes by the Company.

(e) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Consequently, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. Based upon the audit procedures performed and the information and explanations given by the management, during the year the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and seven CIC's which are not required to be registered with the Reserve Bank of India, forming part of the promoter group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred cash losses during the financial year. However, the Company has incurred cash losses of Rs. 2,960.33 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation 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. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) sother than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

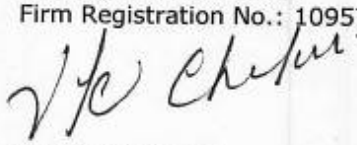
(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amounts under sub-section (5) of Section 135 of the

Companies Act, 2013, pursuant to any ongoing projects undertaken by the Company during the current financial year. Accordingly, reporting under Clause XX(b) of the Order is not applicable.

The unspent amounts relating to ongoing projects from previous financial years had already been transferred to the designated Special Account within the stipulated period in those respective years, in compliance with Section 135(6) of the Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W





Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 26037606WFZIML5772

Place: Mumbai
Date: May 07, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")
(The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting with reference to financial statements of **BMM ISPAT LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting with reference to these 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vipul K. Choksi
Partner
Membership No.: 037606
UDIN: 26037606WFZIML5772

Place: Mumbai
Date: May 07, 2026

BMM ISPAT LIMITED
BALANCE SHEET AS AT 31 MARCH 2026

₹ in lakhs

		Particulars	Notes	As at 31 March 2026	As at 31 March 2025
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, plant and equipment	4A	3,08,977.31	1,93,788.71
		(b) Capital work-in-progress	4B	8,394.19	1,17,097.42
		(c) Right-of-use assets	5	15,395.92	14,869.47
		(d) Other intangible assets	6 A	182.12	405.41
		(e) Intangible assets under development	6 B	65.29	-
		(f) Financial assets			
		(i) Loans	7	2.08	4.09
		(ii) Other financial assets	8	742.34	400.46
		(g) Income tax assets (net)	10	4,115.69	4,448.02
		(h) Deferred tax assets (net)	9	2,409.04	-
		(i) Other non-current assets	11	4,934.27	3,046.38
		Total non-current assets		**3,45,218.25**	**3,34,059.96**
	2	**Current assets**			
		(a) Inventories	12	91,048.31	87,255.08
		(b) Financial assets			
		(i) Trade receivables	13	55,850.28	3,484.66
		(ii) Cash and cash equivalents	14	929.74	77.87
		(iii) Bank balances other than (ii) above	14	537.35	1,133.89
		(iv) Loans	7	587.40	1,102.41
		(v) Other financial assets	8	807.46	916.53
		(c) Other current assets	11	7,757.89	3,486.41
		Total current assets		**1,57,518.43**	**97,456.85**
		Total assets		**5,02,736.68**	**4,31,516.81**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity share capital	15	85,513.94	25,709.87
		(b) Other equity	16	1,87,693.03	2,59,373.40
		Total equity		**2,73,206.97**	**2,85,083.27**
		Liabilities			
	2	**Non-current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	17	62,023.29	10,153.42
		(ii) Lease liabilities	5	6.98	15.72
		(b) Provisions	18	744.40	824.29
		(c) Deferred tax liabilities (net)	9	-	1,234.68
		Total non-current Liabilities		**62,774.67**	**12,228.11**
	3	**Current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	19	30,558.89	44,153.46
		(ii) Lease liabilities	5	8.74	7.98
		(iii) Trade payables			
		(A) Total outstanding dues of micro and small enterprises	20	5,810.03	4,908.85
		(B) Total outstanding dues of creditors other than micro and small enterprises		1,02,888.36	55,825.52
		(iv) Other financial liabilities	21	9,015.97	13,419.01
		(b) Provisions	18	212.13	119.11
		(c) Other current liabilities	22	18,260.92	15,771.50
		Total current liabilities		**1,66,755.04**	**1,34,205.43**
		Total liabilities		**2,29,529.71**	**1,46,433.54**
		Total equity and liabilities		**5,02,736.68**	**4,31,516.81**

See accompanying notes to the financial statements
In terms of our report attached

For and on behalf of the Board of Directors

For SHAH GUPTA & CO.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

VIPUL K CHOKSI	**V.V.V. RAJU**	**GANESH HEGDE**	**MANJUNATH PRABHU**	**SWETHA S**
Partner	Chief Financial Officer	Whole Time Director	Whole Time Director & CEO	Company Secretary
Membership No: 037606		DIN: 11703239	DIN: 07581598	M. No:F11494
Place: Mumbai	Place: Danapura	Place: Danapura	Place: Danapura	Place: Danapura
Date: 07-05-2026	Date: 07-05-2026	Date: 07-05-2026	Date: 07-05-2026	Date: 07-05-2026

BMM ISPAT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

₹ in lakhs, except per share data and as stated otherwise

	Particulars	Notes	31 March 2026	31 March 2025
I	Revenue from operations	23	4,77,611.15	3,10,181.15
II	Other income	24	451.95	959.74
III	**Total income (I+II)**		**4,78,063.10**	**3,11,140.89**
IV	**Expenses**			
	Cost of material consumed	25	3,85,345.68	2,70,157.72
	Changes in inventories of finished goods, stock in trade and work in progress	26	3,306.82	(15,435.23)
	Employee benefits expense	27	12,272.43	10,165.66
	Finance costs	28	9,347.10	5,097.14
	Depreciation and amortization expense	29	16,720.19	11,572.13
	Other expenses	30	66,689.87	44,763.38
	Total expenses		**4,93,682.09**	**3,26,320.80**
V	**Profit / (loss) before tax (III-IV)**		**(15,618.99)**	**(15,179.91)**
VI	**Tax expense**			
	Current tax		-	-
	Deferred tax	9	(3,668.63)	(3,508.41)
	Total tax expense		**(3,668.63)**	**(3,508.41)**
VII	**Profit / (loss) for the year (V-VI)**		**(11,950.37)**	**(11,671.50)**
VIII	**Other comprehensive income**			
	A. (i) Items that will not be reclassified to profit or loss :			
	a. Re-measurements of the defined benefit plans		98.98	(160.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(24.91)	40.48
	Total other comprehensive income (net of taxes)		**74.07**	**(120.35)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(11,876.30)**	**(11,791.85)**
X	**Earnings per equity share of ₹ 10 each**	31		
	a. Basic (in ₹)		(1.40)	(1.36)
	b. Diluted (in ₹)		(1.40)	(1.36)

See accompanying notes to the financial statements

In terms of our report attached
For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

For and on behalf of the Board of Directors

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 07-05-2026

V.V.V. RAJU
Chief Financial Officer

Place: Danapura
Date: 07-05-2026

GANESH HEGDE
Whole Time Director
DIN: 11703239

Place: Danapura
Date: 07-05-2026

MANJUNATH PRABHU
Whole Time Director & CEO
DIN: 07581598

Place: Danapura
Date: 07-05-2026

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 07-05-2026

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

BMM ISPAT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

₹ in lakhs

Particulars	Equity share capital	Other equity				Total other equity	Total equity
		Reserves and surplus		Equity component of compulsory convertible debenture	Other comprehensive income/(loss) (OCI)		
		Securities premium account	Retained earnings		Equity instruments at fair value through OCI		
Opening balance as at 01 April 2024	**25,709.87**	**19,586.08**	**1,92,113.47**	**59,804.06**	**(338.36)**	**2,71,165.26**	**2,96,875.12**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2024	-	-	-	-	-	-	-
Changes in equity share capital during the year	-	-		-	-	-	-
Profit / (loss) for the year	-	-	(11,671.50)	-	-	(11,671.50)	(11,671.50)
Other comprehensive income, net of taxes	-	-	(120.35)	-	-	(120.35)	(120.35)
Closing balance as at 31 March 2025	**25,709.87**	**19,586.08**	**1,80,321.62**	**59,804.06**	**(338.36)**	**2,59,373.40**	**2,85,083.27**
Change in equity share capital due to prior period items	-	-	-	-	-	-	-
Restated balance as on 01 April 2025	-	-	-	-	-	-	-
Changes in equity share capital during the year	59,804.06	-		(59,804.06)	-	(59,804.06)	-
Profit / (loss) for the year	-	-	(11,950.37)	-	-	(11,950.37)	(11,950.37)
Transfer to Retained earnings			(338.36)		338.36	-	
Other comprehensive income, net of taxes	-	-	74.07	-	-	74.07	74.07
Closing balance as at 31 March 2026	**85,513.94**	**19,586.08**	**1,68,106.95**	**-**	**-**	**1,87,693.04**	**2,73,206.97**

See accompanying notes to the financial statements
In terms of our report attached

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 07-05-2026

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

V.V.V. RAJU
Chief Financial Officer

Place: Danapura
Date: 07-05-2026

For and on behalf of the Board of Directors

GANESH HEGDE
Whole Time Director
DIN: 11703239

Place: Danapura
Date: 07-05-2026

MANJUNATH PRABHU
Whole Time Director & CEO
DIN: 07581598

Place: Danapura
Date: 07-05-2026

BMM ISPAT LTD * DANAPUR *

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 07-05-2026

BMM ISPAT LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

₹ in lakhs

	31 March 2026	31 March 2025
A Cash flow from operating activities:		
Profit / (loss) before tax	(15,618.99)	(15,179.91)
Adjustments for:		
Depreciation and amortization expense	16,720.19	11,572.13
Provision for Doubtful loans	750.81	563.25
Amortization of discount and transaction cost	204.52	81.15
(Profit)/loss on sale of property, plant & equipment	18.32	3.05
Finance costs	9,142.58	5,015.99
Interest Income	(237.32)	(432.64)
Operating profit before working capital changes	**10,980.11**	**1,623.02**
Movement in working capital:*		
Increase in trade payables	47,964.02	41,542.48
Increase in provisions	112.11	158.87
Increase in other financial liabilities	(4,502.22)	55.01
Increase / (Decrease) in lease liabilities	(7.98)	(58.58)
Increase / (Decrease) in other current liabilities	2,250.10	3,473.53
Decrease/(Increase) in trade receivables	(52,596.92)	3,886.34
Decrease/(Increase) in inventories	(3,793.65)	(27,823.20)
Decrease/(Increase) in loans	2.02	(1.39)
(Increase) in other financial assets	(232.80)	1,504.21
Decrease in other non-financial assets	(5,831.17)	5,958.59
Cash generated from operations	**(5,656.38)**	**30,318.88**
Income taxes paid (net of refunds)	-	-
Net cash generated from operating activities (A)	**(5,656.38)**	**30,318.88**
B Cash flow from investing activities:		
Purchase of property, plant & equipment, intangible assets, and capital work-in progress	(23,617.17)	(34,966.14)
Proceeds from sale of property, plant & equipment	24.84	12.14
(Investment) / Withdrawals in term deposits	596.55	(92.90)
Loans given during the year	-	-
Loans repaid during the year	-	-
Interest received	237.32	294.04
Net cash used in investing activities (B)	**(22,758.46)**	**(34,752.86)**
C Cash flow from financing activities:		
Proceeds from issue of share capital (net)	-	-
Proceeds from long-term borrowings	71,656.39	485.20
Repayment of long-term borrowings	(29,798.86)	(10,000.00)
Proceeds from short-term borrowings (Net)	(3,582.22)	13,911.61
Interest paid and loan processing charges	(9,008.60)	(4,820.43)
Net cash generated/(used in) financing activities (C)	**29,266.71**	**(423.62)**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD * DANAPUR *

BMM ISPAT LTD * DANAPUR *

BMM ISPAT LTD * DANAPUR *

D Net increase / (decrease) in cash and cash equivalents (A+B+C)	851.87	(4,857.60)
Cash and cash equivalents at the beginning of the year	77.87	4,935.47
Cash and cash equivalents at the end of the year	929.74	77.87

*includes current and non-current

Components of cash and cash equivalents:

₹ in lakhs

	31 March 2026	31 March 2025
Cash in hand	2.21	2.94
With banks		
- in current account	727.53	74.93
- in Deposits with original maturity for less than or equal to 3 months	200.00	-
Total cash and cash equivalents (Note 14)	**929.74**	**77.87**

Reconciliations part of cash flows

₹ in lakhs

Particulars	01 April 2025	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2026
Borrowings (including current maturities of long term borrowings).	28,706.14	41,544.95	108.06	-	204.52	70,563.67
Lease liabilities (including current maturities)	23.69	(7.98)	-	-	-	15.72
Borrowings current (excluding current maturities of long term borrowings).	25,600.73	(3,881.84)	299.62	-	-	22,018.51

* Amortisation of loan processing fees

₹ in lakhs

Particulars	01 April 2024	Cash flows (net)	Foreign exchange (gain) / lossess	New leases	Others*	31 Mar 2025
Borrowings (including current maturities of long term borrowings).	38,139.80	(10,010.95)	496.15	-	81.15	28,706.14
Lease liabilities (including current maturities)	82.28	(58.58)	-	-	-	23.69
Borrowings current (excluding current maturities of long term borrowings).	11,689.12	13,855.50	56.11	-	-	25,600.73

* Amortisation of loan processing fees

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

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BMM ISPAT LTD DANAPUR

BMM ISPAT LTD DANAPUR

Notes:

1 The above cash flow statement has been prepared by using the Indirect Method as per the Indian Accounting Standard (Ind AS) 7 - " Statement of Cash Flows".

See accompanying notes to the financial statements

This is the cash flow statement referred to in our report of even date.

For SHAH GUPTA & CO
Chartered Accountants
Firm Registration No: 109574W

VIPUL K CHOKSI
Partner
Membership No: 037606

Place: Mumbai
Date: 07-05-2026

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

V.V.V. RAJU
Chief Financial Officer

Place: Danapura
Date: 07-05-2026

GANESH HEGDE
Whole Time Director
DIN: 11703239

Place: Danapura
Date: 07-05-2026

MANJUNATH PRABHU
Whole Time Director & CEO
DIN: 07581598

Place: Danapura
Date: 07-05-2026

SWETHA S
Company Secretary
M. No:F11494

Place: Danapura
Date: 07-05-2026

BMM ISPAT LTD DANAPUR

BMM Ispat Limited
Notes to the financial statements for the year ended 31 March 2026
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2025	412.47	84,744.12	3,74,166.14	215.98	913.46	353.95	300.49	4,61,106.61
Additions	-	9,054.50	1,21,743.72	8.49	887.90	18.98	-	1,31,713.59
Disposals	-	-	133.30	-	-	-	29.09	162.40
Cost/deemed cost as at 31 March 2026	**412.47**	**93,798.62**	**4,95,776.56**	**224.48**	**1,801.36**	**372.93**	**271.39**	**5,92,657.80**
Accumulated depreciation as at 01 April 2025	-	18,421.24	96,076.45	141.66	658.11	147.26	210.19	1,15,654.89
Depreciation expense	-	2,078.99	14,089.77	9.38	178.22	105.04	20.41	16,481.81
Deductions	-	-	91.60	-	-	-	27.64	119.24
Accumulated depreciation as at 31 March 2026	-	**20,500.23**	**1,10,074.61**	**151.03**	**836.33**	**252.30**	**202.96**	**1,32,017.46**
Accumulated impairment as at 01 April 2025	-	30,860.67	1,20,802.36	-	-	-	-	1,51,663.03
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated impairment as at 31 March 2026	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Net carrying value								
At 31 March 2025	**412.47**	**35,462.22**	**1,57,287.33**	**74.33**	**255.35**	**206.70**	**90.30**	**1,93,788.69**
At 31 March 2026	**412.47**	**42,437.72**	**2,64,899.59**	**73.45**	**965.03**	**120.63**	**68.44**	**3,08,977.31**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

* Buildings include internal roads of ₹ 6,475.88 lakhs (FY 2024-25 ₹ 6,040.92 lakhs)

The above assets are mortaged in favour of CSB Bank Limited, Bandhan Bank Limited, Axis Bank Limited, please refer note 17

The Company does not have any benami property or any proceeding has been initiated or pending against the Company for holding any benami property.

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS MUMBAI FRN: 109574W

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BMM Ispat Limited
Notes to the financial statements for the year ended 31 March 2026
All amounts are in ₹ lakhs unless otherwise stated

4A. Property, plant and equipment (contd..)

₹ in lakhs

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost/deemed cost as at 01 April 2024	412.47	81,830.20	3,67,286.23	215.76	891.41	328.20	321.34	4,51,285.61
Additions	-	2,913.92	6,946.22	0.24	22.71	113.94	-	9,997.03
Disposals	-	-	66.31	-	0.66	88.19	20.85	176.01
Cost/deemed as at 31 March 2025	**412.47**	**84,744.12**	**3,74,166.14**	**215.99**	**913.47**	**353.95**	**300.49**	**4,61,106.63**
Accumulated depreciation as at 01 April 2024	-	16,682.39	86,760.02	130.12	591.03	108.03	208.96	1,04,480.55
Depreciation expense	-	1,738.85	9,374.12	11.53	67.23	122.38	21.04	11,335.15
Deductions	-	-	57.70	-	0.15	83.15	19.81	160.81
Accumulated depreciation as at 31 March 2025	-	**18,421.24**	**96,076.45**	**141.66**	**658.11**	**147.26**	**210.19**	**1,15,654.89**
Accumulated impairment as at 01 April 2024	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Impairment charge for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated impairment as at 31 March 2025	-	**30,860.67**	**1,20,802.36**	-	-	-	-	**1,51,663.03**
Net carrying value								
At 31 March 2025	**412.47**	**35,462.22**	**1,57,287.33**	**74.34**	**255.36**	**206.70**	**90.30**	**1,93,788.71**
Useful life of the assets (years)	NA	3-60	3-40	10	5	3-6	8-15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	

*Buildings include internal roads

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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4B. Capital Work-in-progress

Particulars	31 March 2026	31 March 2025
Capital work-in-progress*	8,394.19	1,17,097.42
Total	**8,394.19**	**1,17,097.42**

* Capital work-in-progress includes Trial Loss of Blast Furnace project as on 31 March 2026 is ₹ Nil (31 March 2025 is ₹ 13,803.25 lakhs).

Capital work-in-progress ageing schedule for the year ended 31 March 2026

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	7,190.92	1,175.40	27.87	-	8,394.19
Projects temporarily suspended					-
Total	**7,190.92**	**1,175.40**	**27.87**	**-**	**8,394.19**

Capital work-in-progress ageing schedule for the year ended 31 March 2025

Particulars	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in progress	24,814.32	68,483.13	23,743.83	56.13	1,17,097.42
Projects temporarily suspended	-	-	-	-	-
Total	**24,814.32**	**68,483.13**	**23,743.83**	**56.13**	**1,17,097.42**

For Capital work-in-progress, whose completion is overdue compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31 March 2026

As at 31 March 2026

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace	1,229.87	-	-	-	1,229.87
Swithcing Station	4,084.38				4,084.38
VPSA	2,965.22				2,965.22
Other Projects	114.72				114.72
Total	**8,394.19**	**-**	**-**	**-**	**8,394.19**

As at 31 March 2025

	To be completed in				
Particulars	**Less than 1 year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Blast Furnace Project	1,16,748.62	-	-	-	1,16,748.62
Village Rehabiliation	-	3.67	-	-	3.67
Other Projects	414.64	-	-	-	414.64
Total	**1,17,163.27**	**3.67**	**-**	**-**	**1,17,166.93**

5. Right-of-use assets

	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2025	15,916.93	0.00	15,916.93
Additions**	536.93	-	536.93
Disposals	-	-	-
Cost as at 31 March 2026	**16,453.85**	**0.00**	**16,453.85**
Accumulated impairment as at 01 April 2025	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2026	**937.73**	**-**	**937.73**
Accumulated amortisation as at 01 April 2025	109.73	-	109.73
Charge for the year	10.48	-	10.48
Disposals	-	-	-
Accumulated amortisation as at 31 March 2026	**120.21**	**-**	**120.21**
Total accumulated amortisation and impairment as at 31 March 2026	1,057.94	-	1,057.94
Net carrying value as at 31 March 2026	**15,395.92**	**0.00**	**15,395.92**

** Additions includes compensation paid to land sellers

SHAH GUPTA & CO MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

	Leasehold Land*	Plant & Machinery	Total
Cost as at 01 April 2024	15,532.07	328.23	15,860.30
Additions	384.86	-	384.86
Disposals	-	328.23	328.23
Cost as at 31 March 2025	**15,916.93**	**0.00**	**15,916.93**
Accumulated impairment as at 01 April 2024	937.73	-	937.73
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated impairment as at 31 March 2025	**937.73**	**-**	**937.73**
Accumulated depreciation as at 01 April 2024	98.76	53.48	152.24
Charge for the year	10.97	11.46	22.43
Disposals	-	64.93	64.93
Accumulated depreciation as at 31 March 2025	**109.73**	**-**	**109.73**
Total accumulated depreciation and impairment as 31 March 2025	**1,047.46**	**-**	**1,047.46**
Net carrying value as at 31 March 2025	**14,869.47**	**0.00**	**14,869.47**

*Right-of-use assets of land includes amounts paid to KIADB and site development expenses incurred to acquire land under lease cum sale basis.

Leasehold land aggregating to ₹ 7,444.35 lakhs wherein the lease deeds have expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities:

Particulars	**Amount**
At 01 April 2024	**82.28**
Additions	-
Interest Accrued	3.94
Lease principal payments	(58.58)
Lease interest payments	(3.94)
At 31 March 2025	**23.70**
Additions	-
Interest Accrued	2.01
Lease principal payments	(7.98)
Lease interest payments	(2.01)
At 31 March 2026	**15.72**

Break-up of lease liabilities:

Particulars	**31 March 2026**	**31 March 2025**
Current	8.74	7.98
Non-Current	6.98	15.72

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2026 on an undiscounted basis:

Particulars	**31 March 2026**	**31 March 2025**
Less than 1 year	9.95	9.99
1-5 years	7.32	17.27
More than 5 years	-	-

The Company does not face any 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 they fall due.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

6A. Other intangible assets

Intangibles	Computer software	Total
Cost/deemed cost		
Cost as at 01 April 2025	**874.65**	**874.65**
Additions	5.20	5.20
Disposals	-	-
Cost as at 31 March 2026	**879.85**	**879.85**
Accumulated amortization as at 01 April 2025	**469.24**	**469.24**
Amortization expense	228.49	228.49
Deductions	-	-
Accumulated amortization as at 31 March 2026	**697.73**	**697.73**
Net carrying value as at 31 March 2026	**182.12**	**182.12**

Cost as at 01 April 2024	840.11	840.11
Additions	34.54	34.54
Disposals	-	-
Cost as at 31 March 2025	**874.65**	**874.65**
Accumulated amortization as at 01 April 2024	253.38	253.38
Amortization expense	215.86	215.86
Deductions	-	-
Accumulated amortization as at 31 March 2025	**469.24**	**469.24**
Net carrying value as at 31 March 2025	**405.41**	**405.41**
Useful life of the asset	03	
Method of amortization	SLM	

6B. Intangible Assets under development

Particulars	31 March 2026	31 March 2025
Intangible Assets under development	65.29	-
Total	**65.29**	**-**

7. Loans (Unsecured, considered good)

	31 March 2026		31 March 2025	
	Non-current	Current	Non-current	Current
Loans*				
to other body corporate	-	1,663.25	-	1,663.25
to employees	2.08	2.40	4.09	2.41
Less: allowance for doubtful loans		(1,078.25)		(563.25)
Total	**2.08**	**587.40**	**4.09**	**1,102.41**

Loans to related parties & other body corporates are given for their business purpose. Details of loans given to related parties has been disclosed under note 44.

* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

No funds have been advanced or lent 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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8. Other financial assets (at amortised cost)

	31 March 2026	31 March 2025
Non-current		
Security Deposits		
- Considered good	403.85	397.29
- Considered doubtful	154.36	154.36
Less: allowance for doubtful deposit	(154.36)	(154.36)
	403.85	**397.29**
Bank Deposits with original maturity for more than 12 months	326.84	3.14
Interest accrued on bank deposits	11.65	0.03
	742.34	**400.46**
Current		
Security Deposits (Considered good)		
to related parties	40.00	40.00
to others	747.86	840.74
Interest accrued on term deposits/security deposits	19.60	35.79
	807.46	**916.53**
Total	**1,549.80**	**1,316.99**

There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.
Details of security deposits given to related parties has been disclosed under note 44.
Security deposit given to related party is as per rental agreement.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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9. Income taxes

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, expenses not deductable, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus surcharge and cess as per section 115BAA.

a. Income tax expense

	For the year ended 31 March 2026	31 March 2025
Current tax:		
Current tax	-	-
Tax refund/reversal pertaining to earlier years	-	-
Deferred tax:		
Deferred tax	(3,668.63)	(3,508.41)
Total deferred tax	**(3,668.63)**	**(3,508.41)**
Total tax expense	**(3,668.63)**	**(3,508.41)**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	For the year ended 31 March 2026	31 March 2025
Profit / (loss) before tax	(15,618.99)	(15,179.91)
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	**(3,930.99)**	**(3,820.48)**
Expenses not deductible in determining taxable profits	162.10	245.32
Income not taxable in determining taxable profits	-	-
Impact on account of Ind AS adjustments	51.98	21.41
Others	48.29	45.34
Tax expense for the year	**(3,668.63)**	**(3,508.41)**
Effective income tax rate	**23.49%**	**23.11%**

b. Deferred tax assets/(liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Deferred tax balance in relation to	Balance as at 31 March 2025	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	Balance as at 31 March 2026
Property, plant & equipment and ROU assets	(24,370.51)	(4,399.13)	-	(28,769.64)
Carried forward business loss/unabsorbed depreciation	19,370.94	6,067.56	-	25,438.50
Retirement benefit obligation	237.43	28.22	(24.91)	240.74
Others	3,527.46	1,971.98	-	5,499.44
Total	**(1,234.68)**	**3,668.63**	**(24.91)**	**2,409.04**

Deferred tax balance in relation to	Balance as at 31 March 2024	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	Balance as at 31 March 2025
Property, plant and equipment	(22,169.48)	(2,201.04)	-	(24,370.51)
Carried forward business loss/unabsorbed depreciation	14,452.63	4,918.31	-	19,370.94
Retirement benefit obligation	156.97	39.99	40.48	237.43
Others	2,776.31	751.15	-	3,527.46
Total	**(4,783.57)**	**3,508.41**	**40.48**	**(1,234.68)**

The Company has exercised the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has measured its net deferred tax assets/liability on the basis of the rate prescribed in the said section.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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10. Income Tax assets (Net)

	31 March 2026	31 March 2025
Income taxes paid under protest	1,886.37	1,886.37
Income tax refund receivable	1,883.92	2,240.42
Tax Deduction at Source (Receivable)	345.40	321.23
Total	**4,115.69**	**4,448.02**

Note: Income Tax liability for FY 2026-27 is nil (FY 2025-26 is nil) due to carry forward depreciation losses.

11. Other assets* (unsecured)

	31 March 2026		31 March 2025	
	Non-current	Current	Non-current	Current
Capital advances, considered good	1,418.94	-	600.21	-
Security deposits, considered good	891.34	-	632.96	-
Pre-paid expenses, considered good	13.98	788.48	51.71	600.93
Advances to suppliers and others, considered good	-	4,934.84	-	1,655.10
Advances to suppliers and others, considered doubtful	744.61	-	744.61	-
Less: Allowances for doubtful advances	(744.61)	-	(744.61)	-
Sub-total	**-**	**4,934.84**	**-**	**1,655.10**
Balances with statutory and govt authorities, considered good	2,610.02	2,034.57	1,761.50	1,230.38
Balances with statutory and govt authorities, considered doubtful	32.12	-	28.00	-
Less: Allowances for doubtful advances	(32.12)	-	(28.00)	-
Sub-total	**2,610.02**	**2,034.57**	**1,761.50**	**1,230.38**
Total	**4,934.27**	**7,757.89**	**3,046.38**	**3,486.41**
Unsecured, considered good	4,934.27	7,757.89	3,046.38	3,486.41
Unsecured, considered doubtful	776.73	-	772.61	-

Details of advances given to related parties has been disclosed under note 44

* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

12. Inventories

	31 March 2026	31 March 2025
Raw materials (at cost)	31,027.37	25,682.97
Work-in-progress (at cost)*	222.52	226.69
Finished goods (at cost or net realisable value)*	23,031.99	38,020.07
Others (valued at net realizable value)	17,767.41	6,081.98
Stores and spares (at cost)	18,999.02	17,243.37
Total	**91,048.31**	**87,255.08**

Details of Stock-in-transit (included in above inventories)

	31 March 2026	31 March 2025
Raw materials	13,032.22	14,454.91
Finished Goods	331.38	-
Total	**13,363.60**	**14,454.91**

* Above inventories as at 31 March 2025 includes, inventories in respect of Trial Run operations (Refer Note: 46)

The above inventories are hypothicated in favour of ICICI Bank, IndusInd Bank, CSB Bank, Bandhan Bank & Axis Bank, Please refer note 17 & 19.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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13. Trade receivables*

	31 March 2026	31 March 2025
Unsecured, considered good	55,850.28	3,484.66
Considered doubtful	280.80	49.49
Less: Allowance for doubtful receivables	(280.80)	(49.49)
Total	**55,850.28**	**3,484.66**

Trade receivables ageing Schedule as on 31 March 2026

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	55,382.88	698.22	49.97	-	-	56,131.07
(ii) Undisputed trade receivables - Credit impaired						-
(iii) Disputed trade receivables - Considered good						-
(iv) Disputed trade receivables - Credit impaired						-
Less: Allowance for credit loss	(277.06)	(3.49)	(0.25)	-		(280.80)
Total	**55,105.83**	**694.73**	**49.72**	-	-	**55,850.28**

Trade receivables ageing Schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered Good	3,446.03	88.13	-	-	-	3,534.15
(ii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for credit loss	(49.05)	(0.44)	-	-	-	(49.49)
Total	**3,396.98**	**87.69**	-	-	-	**3,484.66**

The company is providing 0.5% as allowance for doubtful debts towards expected credit losses considering the business model.

Trade receivables from related parties are disclosed under note 44.

* There is no amount due from director, other officer of the company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

The above receivables are hypothicated in favour of ICICI Bank, Indusind Bank, CSB Bank, Bandhan Bank & Axis Bank, Please refer note 17 &

Movement of doubtful receivables:	31 March 2026	31 March 2025
Opening loss allowance	49.49	49.49
Allowance provided during the year	231.31	-
Allowance reversed during the year	-	-
Closing loss allowance	**280.80**	**49.49**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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14. Cash and bank balances

	31 March 2026	31 March 2025
Cash and cash equivalents		
Balances with banks		
In current accounts	727.53	74.93
Deposits with original maturity for less than or equal to 3 months	200.00	-
Cash on hand	2.21	2.94
	929.74	**77.87**
Other bank balances		
Margin money deposits*	455.72	301.57
Deposits held for CSR purpose	51.56	448.61
Current accounts balances towards CSR purpose	30.07	383.71
	537.35	**1,133.89**
Total	**1,467.09**	**1,211.76**

*includes term deposits held as margin money for security against the bank guarantees.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

15. Equity share capital

Authorised share capital:	**31 March 2026**	**31 March 2025**
1,00,00,00,000 (31 March 2025: 100,00,00,000) Equity shares of ₹ 10 each	1,00,000.00	1,00,000.00
Issued, subscribed and fully paid-up shares:		
85,51,39,387 (31 March 2025: 25,70,98,746) Equity shares of ₹ 10 each	85,513.94	25,709.87
Total	**85,513.94**	**25,709.87**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2026		**31 March 2025**	
Equity shares	**No. of shares**	**₹ in lakhs**	**No. of shares**	**₹ in lakhs**
At the beginning of the period	25,70,98,746	25,709.87	25,70,98,746	25,709.87
Issued during the period	59,80,40,641	59,804.06	-	-
Outstanding at the end of the period	**85,51,39,387**	**85,513.94**	**25,70,98,746**	**25,709.87**

B. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Shares held by holding company*

	31 March 2026		**31 March 2025**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
JSW Projects Limited	50,00,00,000	58.47%	15,03,25,637	58.47%

D. Details of shareholders holding more than 5% shares in the company*

	31 March 2026		**31 March 2025**	
Equity shares of ₹ 10/- each fully paid	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
JSW Projects Limited	50,00,00,000	58.47%	15,03,25,637	58.47%
Dinesh Kumar Singhi	30,69,54,309	35.90%	10,67,04,504	41.50%
Snehalata Singhi	4,81,85,078	5.63%	68,605	0.03%

E. Shares held by promotors as on 31 March 2026*

Shares held by promotors at the end of the year

S NO	Promoter Name	No. of shares	% of total shares	% Change during the year
1	JSW Projects Limited	50,00,00,000	58.47%	0.00%
2	Dinesh Kumar Singhi	30,69,54,309	35.90%	-5.61%
3	Snehalatha Singhi	4,81,85,078	5.63%	5.61%

*As per the records of the company, including it's register of shareholders / members, the above shareholding represents legal and/or beneficial ownership of

F. The company has not allotted any shares pursuant to contracts without payment being received in cash during the 5 years immediately preceding the date of the balance sheet.

G. On 29/10/2025, the Company allotted 59,80,40,641 equity shares to the existing shareholders pursuant to the conversion of Compulsorily Convertible Debentures (CCDs).

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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16. Other equity

A. Retained earnings

Retained earnings are the profits and gains that the company has earned till date, less any transfer to general reserve, debenture redemption reserve or other reserves, dividends or other distributions paid to shareholders.
The details of movement in retained earnings is as below:

	31 March 2026	31 March 2025
Balance at the beginning of the year	1,80,321.62	1,92,113.47
Profit for the year	(11,950.37)	(11,671.50)
Equity instruments through other comprehensive income	(338.36)	-
Remeasurement of post-employment defined benefit plans	74.07	(120.35)
Balance at the end of the year	**1,68,106.95**	**1,80,321.62**

B. Equity instruments through other comprehensive income

The details of other comprehensive income recognised during the year is as below:

	31 March 2026	31 March 2025
Balance at the beginning of the year	(338.36)	(338.36)
Less: Transfer to retained earnings	338.36	
Balance at the end of the year	-	**(338.36)**

C. Other reserves

a. Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
The details of movement in securities premium is as below:

	31 March 2026	31 March 2025
Balance at the beginning of the year	19,586.08	19,586.08
Balance at the end of the year	**19,586.08**	**19,586.08**
D. Equity component of fully and compulsory convertible debentures*	-	59,804.06
Total	**1,87,693.03**	**2,59,373.40**

*** Terms/rights attached to compulsory convertible debentures (Also refer note 41)**
On 27 October 2020, as per the terms of the Investment Agreement dated 04 March 2020 read with amendment Agreement dated 22 October 2020, the company has allotted 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each and 16,01,83,717 Series A Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each to M/s. JSW Projects Limited.

On 27 October 2020, as per the terms of the Investment Agreements, the outstanding unsecured loans from Mr. Dinesh Kumar Singhi of ₹ 20,024.98 lakhs and Mrs. Snehalatha Singhi of ₹ 4,811.65 lakhs were converted into 20,02,49,805 and 4,81,16,473 of Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively.

On 16 December 2020, upon satisfactory completion of conditions referred in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.
The terms and conditions of the debentures are as follows:
1. Series A-CCD and Series C-CCD have a term period of maximum 20 years starting from the date of allotment and the holder of the said debentures shall have the right to convert each CCD into one equity share of ₹ 10 each of the company at any time during the debenture term.
2. Series B-CCD have a term period of maximum 20 years starting from the date of allotment and each Series B-CCD shall automatically and mandatorily be converted to one equity share of ₹ 10 each upon conversion of Series A-CCD on prorata basis.
3. All the CCD's do not carry any coupon payments during the term of the debentures.
4.On 29/10/2025, the Company allotted 59,80,40,641 equity shares to the existing shareholders pursuant to the conversion of Compulsorily Convertible Debentures (CCDs).

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

17. Borrowings (at amortised cost)

	31 March 2026		31 March 2025	
	Non-current	Current	Non-current	Current
Term loans from Banks				
Secured	60,087.50	8,770.00	5,000.00	10,000.00
Less: Unamortised processing fees	(490.97)	(229.62)	(7.18)	(43.04)
	59,596.53	**8,540.38**	**4,992.82**	**9,956.96**
Acceptance for capital projects with maturity more than 1 year (secured)	2,426.76	-	5,160.60	8,595.77
	62,023.29	**8,540.38**	**10,153.42**	**18,552.73**
The above amount includes				
Secured borrowings	62,023.30	8,540.38	10,153.42	18,552.73
Amount disclosed in Note 19	-	(8,540.38)	-	(18,552.73)
	62,023.30	**-**	**10,153.42**	**-**

1. Term Loan (secured)

On 26 November 2021, the company has taken rupee term loan of ₹ 50,000 lakhs from ICICI bank as part re-financing of Non-Convertable Debentures (NCD) issued to J.P. Morgan Securities Aisa Private Limited . The term loan carries an interest ranging from 9.65% to 9.75% and was payable on monthly basis with principal repayments in 20 quarterly instalments. The security for the said loan was first charge over the movable and immovable assets of the company; second charge on the current assets of the company and the said loan shall be further secured by pledge of 30% of the equity share capital of the company. The company has filed form CHG-1 on 10 December 2021 towards creation of charge infavour of ICICI Bank by creating first charge over movable assets. Further, the company has filed form CHG-1 on 9th June, 2022, for modification of the charge to register the 'Memorandum of Entry (MOE)- Mortgage by deposit of Title Deeds' executed in favour of ICICI Bank Limited. The company has repaid the entire loan on 30 September 2025 by availing loan from Axis Bank Limited.

2. During the FY 2022-23, the Company has availed from ICICI Bank Limited –
CAPEX Letter of Credit facility with a limit upto ₹ 15,000 lakhs with maximum usance period of 1080 days. These facilities have been secured by creating exclusive charge on specified assets being procured in form of any movable plant and machinery, machinery spares, tools and accessories, other movables. The necessary form CHG-1 has been filed on 18th October, 2022. Interest ranges from 3.15% to 5.10% p.a during the year.

3. On 30 June 2025, the Company has availed Rupee Term loan of Rs. 299 Crores from CSB Bank Limited towards reimbursement of capital expenditure in relation to Blast Furnace Project & payment to capital creditors. The term loan carries an interest rate of ranging from 8.60% to 8.75% p.a., linked to external benchmark rates with applicable spread. The term loan repayment in 20 quarterly instalments commencing from the 15th month from the date of first disbursement with total tenure of 72 months including moratorium.
The Company has filed Form CHG-1 on 14 July 2025 towards creation of charge in favour of Security Trustee.
Subsequently, on 29 August 2025, the term loan amount of Rs. 150 Crores transferred from CSB Bank Limited to Bandhan Bank Limited vide Novation and Transfer Notice with the same terms & conditions. The Company has filed necessary charge modification documents with Registrar of Companies for reflecting the revised lender arrangement. Mortgage deed execution timelines are expired as per financing documents and the delay in execution as on date is due to external factors such as technical glitiches due to migration from old software (Kaveri I) to new software (Kaveri II) by Karnataka State Government & also major changes in the approval procedures.

4. On 11 September 2025, the Company has availed rupee term loan facilities aggregating to Rs. 400 Crores from Axis Bank Limited comprising:
- Term Loan I - Rs 275 Crores: towards reimbursement of capital expenditure in relation to Blast Furnace Project, payment to capital creditors and capex l payments. The loan has a door-to-door tenor of 6 years including a moratorium of 1 year, with repayment commencing from the end of the 15th month from the date of first disbursement.
- Term Loan II – Rs 125 Crores: towards refinancing of existing outstanding term loan of ICICI Bank Limited. The loan has a door-to-door tenor of 6 years, wi repayment commencing on the last date of the quarter subsequent to the quarter in which the initial disbursement is made.

The term loans carry an interest rate of approximately 8.60% p.a linked to external benchmark rates such as 3 Months MCLR with applicable spread.
The Company has filed Form CHG-1 on 11th September 2025 towards creation of charge in favour of Security Trustee.
Mortgage deed execution timelines are expired as per financing documents and the delay in execution as on date is due to external factors such as technical glitiches due to migration from old software (Kaveri I) to new software (Kaveri II) by Karnataka State Government & also major changes in the approval procedures.

5. The Company has used the borrowings from banks for the specific purpose for which it was obtained.

18. Provisions

	31 March 2026		31 March 2025	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for gratuity	62.68	-	126.83	-
Provision for compensated leave absence	681.72	212.13	697.46	119.11
Total	**744.40**	**212.13**	**824.29**	**119.11**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD * DANAPUR *

19. Borrowings (current, at amortised cost)

	31 March 2026	31 March 2025
Current maturities of long term borrowings	8,540.38	18,552.73
Working capital loans (including Acceptances)	22,018.51	25,600.73
Total	**30,558.89**	**44,153.46**
The above amount includes		
Secured borrowings	30,558.89	44,153.46
Unsecured borrowings	-	-

During the FY 25-26, the company has availed overdraft limit of Rs. 100 lakhs from CSB Bank Limited. The Company has filed Form CHG-1 on 14 July 2025 towards creation of charge in favour of Security Trustee. It carries interest rate of 9.30% p.a. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables.

During the FY 25-26, the company has availed overdraft limit of Rs. 100 lakhs and Letter of Credit (LC) limits of Rs. 5,000 lakhs from Axis Bank Limited. The Company has filed Form CHG-1 on 19 February 2026 towards creation of charge in favour of Security Trustee. It carries interest rate of 8.60% p.a. These facilities have been secured by creating first ranking pari-passu charge on Current Assets, Accounts Assets and Receivables.

During the FY 24-25, the company has availed working capital limits from IndusInd Bank of ₹. 25,000 lakhs and enchanced working capital limits from ₹. 15,000 lakhs to ₹. 35,000 lakhs from ICICI Bank. These facilities have been secured by creating first ranking pari-passu charge on Current Assets. Accounts Assets and Receivables. The necessary CHG-1 form filed with MCA on 24 September, 2024 and 19 December, 2024, respectively. It carries interest rate ranging from 6% p.a. to 9.50% p.a during the year.

The Company has used the borrowings from banks for the specific purpose for which it was obtained.

20. Trade payables

	31 March 2026	31 March 2025
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	5,810.03	4,908.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,00,338.31	52,131.99
Unbilled Trade payables	2,550.05	3,693.53
Total	**1,08,698.39**	**60,734.37**

Trade payables ageing schedule for the year ended as on 31 March 2026:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	5,761.93	39.02	0.11	8.98	5,810.03
Outstanding dues to others	2,550.05	1,00,084.65	144.33	9.37	99.95	1,02,888.36
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**2,550.05**	**1,05,846.58**	**183.35**	**9.48**	**108.93**	**1,08,698.39**

Trade payables ageing schedule for the year ended as on 31 March 2025:

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	4,897.23	2.64	7.65	1.33	4,908.85
Outstanding dues to others	3,693.53	52,009.44	11.96	1.10	109.49	55,825.52
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others	-	-	-	-	-	-
Total	**3,693.53**	**56,906.67**	**14.60**	**8.75**	**110.82**	**60,734.37**

Trade payables to related parties details are furnished in note 44.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

21. Other financial liabilities (as amortised cost)

	31 March 2026		31 March 2025	
	Non-Current	Current	Non-Current	Current
Interest accrued and not due on borrowings	-	344.94	-	245.75
Others				
Creditors for capital purchases	-	5,201.68	-	9,617.56
Creditors for expenses	-	3,216.72	-	2,614.02
CSR ongoing projects payable		81.99		781.63
Others	-	170.64	-	160.05
Total	-	**9,015.97**	-	**13,419.01**

Amounts due to related parties details has been described in note 44.

22. Other current liabilities

	31 March 2026	31 March 2025
Advances from customers	1,495.04	1,505.84
Statutory liabilities*	16,707.55	14,259.34
Others	58.33	6.32
Total	**18,260.92**	**15,771.50**

* Includes Electricity Tax payable as per the Rule 5 of Karnakata Electricity (Taxation on Consumption) Rules 2014 of ₹ 7,269.87 lakhs as on 31 March 2026 (₹ 6,039.66 lakhs as on 31 March 2025) . An amount of ₹ 3,780.56 lakhs towards interest demand has not been provided for.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

BMM Ispat Limited
Notes to the financial statements for the year ended 31 March 2026
All amounts are in ₹ lakhs unless otherwise stated

23. Revenue from operations

	31 March 2026	31 March 2025
Sale of products	4,71,698.62	3,06,815.52
Other operating revenue	5,912.53	3,365.63
Total	**4,77,611.15**	**3,10,181.15**

a. Ind AS 115 Revenue from contracts with customers

The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

	31 March 2026		31 March 2025	
Particulars	**MT**	**Rs. In Lakhs**	**MT**	**Rs. In Lakhs**
TMT	4,84,568	2,25,462.89	1,03,250	47,582.83
Billet	2,32,847	97,484.17	18,846	14,733.89
Pig Iron	33,823	10,917.38	-	-
Sponge Iron	5,19,804	1,17,689.41	6,24,083	1,59,861.09
Pellet	1,68,171	16,267.33	7,88,080	79,124.90
Others		3,877.42		5,512.81
Total		**4,71,698.62**		**3,06,815.52**

	31 March 2026	31 March 2025
Revenue from contracts with customers-sale of products	4,71,698.62	3,06,815.52
Other operating revenue	5,912.53	3,365.63
Total revenue from operations	**4,77,611.15**	**3,10,181.15**
Revenue within India	4,77,611.15	3,10,181.15
Revenue from outside India	-	-
Total revenue from operations	**4,77,611.15**	**3,10,181.15**
Timing of revenue recognition		
At a point of time	4,77,611.15	3,10,181.15
Total revenue from operations	**4,77,611.15**	**3,10,181.15**

Contract balances:	As at 31 March 2026	As at 31 March 2025
Trade receivables (refer note 13)	55,850.28	3,484.66
Contract liabilities		
Advances received from customers (refer note 22)	1,495.04	1,505.84

As at 31 March 2026, an amount of ₹ 280.80 lakhs (31 March 2025: ₹ 49.49 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include short term trade advances received for sale of goods.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year is ₹ 1,505.84 lakhs (31 March 2025: ₹ 1,570.26 lakhs) and performance obligations satisfied in previous years is ₹ Nil (31 March 2024: ₹ Nil).

Out of the total contract liabilities outstanding as on 31 March 2026, ₹ 1,495.04 lakhs (31 March 2025: ₹ 1,505.84 lakhs) will be recognized on execution of contract by 31 March 2027.

Refund liabilities:	As at 31 March 2026	As at 31 March 2025
Arising from volume rebates (included in other financial liabilities-note 21)	-	42.13

The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

24. Other income	31 March 2026	31 March 2025
Interest income from term deposits (includes TDS credit of CY ₹ 0.85 and PY ₹ 16.04)	86.04	153.54
Interest income from security deposits (includes TDS credit of CY ₹ 12.96 and PY ₹ 10.72)	129.70	107.28
Interest income from others (includes TDS credit of CY ₹ Nil and PY ₹ Nil)	21.58	33.22
Interest income from Inter Corporate Deposits (includes TDS credit of CY ₹ 0.00 and PY ₹ 0.00)	-	138.60
Other non-operating income		
- Other miscellaneous income	214.63	527.10
Total	**451.95**	**959.74**

25. Cost of material consumed	31 March 2026	31 March 2025
Inventory at the beginning of the year	25,682.97	20,127.30
Add: Purchases	3,90,690.08	2,75,713.39
	4,16,373.05	**2,95,840.69**
Less: Inventory at the end of the year	31,027.37	25,682.97
Cost of materials consumed	**3,85,345.68**	**2,70,157.72**
Cost of materials consumed disclosed is on the basis of derived figures.		

26. Changes in inventories of finished goods, stock in trade and work in progress

	31 March 2026	31 March 2025
Inventories at the end of the year		
Finished goods & others	40,799.40	44,102.05
Work-in-progress	222.52	226.69
	41,021.92	**44,328.74**
Inventories at the beginning of the year		
Finished goods & others	44,102.05	28,186.77
Work-in-progress	226.69	706.74
	44,328.74	**28,893.51**
(Increase) / Decrease	**3,306.82**	**(15,435.23)**

27. Employee benefits expense	31 March 2026	31 March 2025
Salary, wages & bonus	9,759.86	7,975.86
Contribution to provident and other funds	1,201.30	1,076.05
Staff welfare expenses	1,311.27	1,113.75
Total	**12,272.43**	**10,165.66**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

28. Finance costs	31 March 2026	31 March 2025
Interest on Term loans, Working Capital & others	8,623.22	4,609.11
Amortizatoin of loan processing fees	204.52	81.15
Bank charges	519.36	406.88
Total	**9,347.10**	**5,097.14**

29. Depreciation and amortization expense	31 March 2026	31 March 2025
Depreciation of property, plant and equipment	16,481.30	11,333.98
Amortization of intangible assets	228.41	215.72
Depreciation of Right-of-use assets	10.48	22.43
Total	**16,720.19**	**11,572.13**

30. Other expenses	31 March 2026	31 March 2025
Consumption of stores and spares	26,188.19	15,582.54
Repairs and maintenance - building	452.39	543.02
Repairs and maintenance - plant and machinery	3,332.62	2,773.65
Repairs and maintenance - others	979.87	760.17
Power & fuel	9,189.14	5,637.16
Labour charges	14,311.02	9,368.17
Analysis & laboratory charges	54.83	58.02
Machinery hire charges	2,148.77	1,627.94
Water withdrawal charges	456.44	455.78
Office & general administration expenses	804.60	728.57
Communication expenses	28.13	24.70
Insurance	614.53	427.64
Legal and professional charges	938.21	687.79
Travelling & conveyance	69.19	69.80
Rates & taxes	629.91	1,604.86
Security and service charges	725.04	655.38
Printing and stationery	25.24	31.97
Rent	87.29	106.38
Directors sitting fees	16.30	13.50
Donations	59.92	32.88
Corporate Social Responsibility expenses	99.58	651.80
Corporate Environment Responsibility(CER)	484.55	278.97
Loss on sale/discard of fixed assets (net)	18.32	3.05
Exchange rate fluctuation (net)	2,368.80	479.43
Payment to auditor (refer details below)	23.00	21.00
Advertisement & business promotion	1.22	3.45
Commission on sales	43.06	22.31
Allowance for doubtful debts	750.81	549.72
Loading and unloading charges	606.22	197.15
Freight and demurrage charges	491.90	1,166.79
Power export expenses	618.90	135.78
Others	71.88	64.01
Total	**66,689.87**	**44,763.38**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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Payment to auditor	31 March 2026	31 March 2025
As auditor:		
Statutory Audit fees	16.50	15.00
Tax audit fees	1.65	1.50
In other capacity:		
Other services	4.85	4.50
Total	**23.00**	**21.00**

31. Earnings per share (EPS)	31 March 2026	31 March 2025
Profit after tax	(11,950.37)	(11,671.50)
Closing number of equity shares (No's)	85,51,39,387	25,70,98,746
Weighted average number of shares for basic EPS (No's)	85,51,39,387	85,51,39,387
Weighted average number of shares for diluted EPS (No's)	85,51,39,387	85,51,39,387
Basic earnings per share (in ₹)	(1.40)	(1.36)
Diluted earnings per share (in ₹)	(1.40)	(1.36)
Nominal value of shares (in ₹)	10.00	10.00

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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32. Balances of trade receivables, trade payables and loans are subject to confirmation/reconciliation, if any.

33. In the opinion of Board of Directors adequate provision has been made in the accounts for all known liabilities and the current assets and loans have a value on realization in the ordinary course of business at least equal to the value stated in the balance sheet.

34. The company's other leasing arrangements are in the nature of operating leases. These are cancellable operating leases and the agreements are normally renewed on expiry. The aggregate lease rentals payable are charged as rent under note 30.

35. Financial instruments

I. Capital risk management

The company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from external borrowings. The company is not subject to any externally imposed capital requirements.

The company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings from banks and related parties less cash and cash equivalents, bank balances other than cash and cash equivalents.

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Long term borrowings	62,023.29	10,153.42
Short term borrowings	30,558.89	44,153.46
Less: Cash and cash equivalent	(929.74)	(77.87)
Net debt	**91,652.44**	**54,229.01**
Total equity	**2,73,206.97**	**2,85,083.27**
Gearing ratio	**0.34**	**0.19**

i. Equity includes all capital and reserves of the company that are managed as capital.
ii. Debt is defined as long and short term borrowings, as described in notes 17 and 19.

II. Categories of financial instruments

₹ in lakhs

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	31 March 2026		31 March 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Loans	589.48	589.48	1,106.50	1,106.50
Other financial assets	1,549.80	1,549.80	1,316.99	1,316.99
Trade receivables	55,850.28	55,850.28	3,484.66	3,484.66
Cash and cash equivalents	929.74	929.74	77.87	77.87
Bank balances other than cash and cash equivalents	537.35	537.35	1,133.89	1,133.89
Total financial assets at amortised cost	**59,456.65**	**59,456.65**	**7,119.91**	**7,119.91**
Financial liabilities				
Measured at amortised cost				
Long term borrowings	62,023.29	62,023.29	10,153.42	10,153.42
Short term borrowings	30,558.89	30,558.89	44,153.46	44,153.46
Lease liabilities	15.72	15.72	23.70	23.70
Trade payables	1,08,698.39	1,08,698.39	60,734.36	60,734.36
Other financial liabilities	9,015.97	9,015.97	13,419.01	13,419.01
Total financial liabilities at amortised cost	**2,10,312.26**	**2,10,312.26**	**1,28,483.95**	**1,28,483.95**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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III. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade and other payables, security deposits taken, employee liabilities. The Company's principal financial assets include trade and other receivables, loans given and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance function provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and approves policies for managing each of these risks, which are summarised below.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

IV. 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 the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

V. Foreign currency risk management

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 costs of imports, primarily in relation to raw materials.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2026

₹ in lakhs

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	589.48	-	-	-	589.48
Trade receivables	55,850.28	-	-	-	55,850.28
Cash and cash equivalents	928.95	0.52	-	0.27	929.74
Bank balances other than cash and cash equivalents	537.35	-	-	-	537.35
Other financial assets	1,549.80	-	-	-	1,549.80
Total financial assets	**59,455.86**	**0.52**	**-**	**0.27**	**59,456.65**
Financial liabilities					
Long term borrowings	68,136.91	2,426.76	-	-	70,563.67
Lease liabilities	15.72	-	-	-	15.72
Short term borrowings	6,611.14	15,407.37	-	-	22,018.51
Trade payables	98,413.24	10,285.15	-	-	1,08,698.39
Other financial liabilities	8,043.97	296.80	675.21	-	9,015.97
Total financial liabilities	**1,81,220.98**	**28,416.08**	**675.21**	**-**	**2,10,312.26**

Currency exposure as at 31 March 2025

₹ in lakhs

Particulars	INR	USD	EURO	Others	Total
Financial assets					
Loans	1,106.50	-	-	-	1,106.50
Trade receivables	3,484.66	-	-	-	3,484.66
Cash and cash equivalents	77.17	0.46	-	0.23	77.87
Bank balances other than cash and cash equivalents	1,133.89	-	-	-	1,133.89
Other financial assets	1,316.99	-	-	-	1,316.99
Total financial assets	**7,119.21**	**0.46**	**-**	**0.23**	**7,119.91**
Financial liabilities					-
Long term borrowings	15,001.05	4,044.31	9,660.78	-	28,706.14
Lease liabilities	23.70	-	-	-	23.70
Short term borrowings	19,029.16	6,571.56	-	-	25,600.73
Trade payables	50,332.98	10,360.83	40.56	-	60,734.37
Other financial liabilities	11,406.76	550.04	1,462.21	-	13,419.01
Total financial liabilities	**95,793.65**	**21,526.74**	**11,163.55**	-	**1,28,483.95**

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The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Receivable				
USD/INR	0.01	0.01	(0.01)	(0.01)
Payable				
USD/INR	(284.16)	(215.27)	284.16	215.27

₹ in lakhs

Particulars	Increase		Decrease	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Receivable				
EURO/INR	-	-	-	-
Payable				
EURO/INR	(6.75)	(111.64)	6.75	111.64

Unhedged currency risk position

i) Amount receivable in foreign currency

₹ in lakhs

Particulars	31 March 2026		31 March 2025	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Foreign currency in hand	0.01	0.79	0.01	0.70
Total	**0.01**	**0.79**	**0.01**	**0.70**

ii) Amount payable in foreign currency

₹ in lakhs

Particulars	31 March 2026		31 March 2025	
	US $ equivalent in lakhs	INR equivalent	US $ equivalent in lakhs	INR equivalent
Long term borrowings	25.64	2,426.76	140.33	13,705.09
Short term borrowings	167.22	15,407.37	76.46	6,571.56
Trade payables	110.98	10,285.15	120.94	10,401.38
Other financial liabilities	10.27	972.01	20.52	2,012.26
Total	**314.11**	**29,091.29**	**358.25**	**32,690.29**

VI. Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of iron ore, coal, ferro alloys, scrap and other raw material inputs. The Company purchased all of its iron ore and coal requirements from third parties in the open market during the year ended 31 March 2026.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials in general move in the same direction.

The Company is exposed to commodity price risk on account of not using commodity hedging to manage volatility in commodity prices.

The following table details the Company's sensitivity to a 5% movement in the input price of Iron ore, Coal & Coke. The sensitivity analysis includes only 5% change in commodity prices for quantity purchased or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice versa.

₹ in lakhs

Commodity	Increase		Decrease	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Iron ore	7,030.18	7,161.64	(7,030.18)	(7,161.64)
Coal & Coke	11,276.85	6,616.54	(11,276.85)	(6,616.54)

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VII. 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 is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees, US dollars and EURO with floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate, SOFR and EURIBOR. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's floating rate borrowings:

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Fixed rate borrowings	-	-
Floating rate borrowings	93,302.77	54,357.09
Total gross borrowings	**93,302.77**	**54,357.09**
Less: Unamortised discount and transaction costs	(720.59)	(50.22)
Total borrowings (refer note 17)	**92,582.18**	**54,306.87**

VIII. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. One customers accounted for FY 2025-26 for 10.00% or more of revenue in any of the years indicated (two customer for FY 2024-25). The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties and accordingly, the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2026 is considered adequate.

Movement in allowance for bad and doubtful debts

₹ in lakhs

Particulars	Amount
Ast at 01 April 2024	49.49
Additional Allowance	-
Reversal During the year	-
As at 31 March 2025	**49.49**
Additional Allowance	231.31
Reversal During the year	-
As at 31 March 2026	**280.80**

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 59,456.64 lakhs as at 31 March 2026 and ₹ 7,119.90 lakhs as at 31 March 2025, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and the company is of the opinion that the allowance for doubtful trade receivables as at 31 March 2026 is considered adequate.

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

The Company's maximum exposure to the credit risk for the components of balance sheet as at 31 March 2026 and 31 March 2025 is the carrying amounts mentioned in note no 13 (trade receivables note).

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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IX. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows that are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March 2026

₹ in lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	587.40	2.08	-	589.48
Trade receivables	55,850.28	-	-	55,850.28
Cash and cash equivalents	929.74	-	-	929.74
Bank balances other than cash and cash equivalents	537.35	-	-	537.35
Other financial assets	810.93	394.70	344.16	1,549.80
Total financial assets	**58,715.70**	**396.78**	**344.16**	**59,456.65**
Financial liabilities				
Long term borrowings	8,540.38	62,023.29	-	70,563.67
Short term borrowings	22,018.52	-	-	22,018.52
Lease liabilities	8.74	6.98	-	15.72
Trade payables	1,08,698.39	-	-	1,08,698.39
Other financial liabilities	9,015.97	-	-	9,015.97
Total financial liabilities	**1,48,282.00**	**62,030.27**	**-**	**2,10,312.27**

Liquidity exposure as at 31 March 2025

₹ in lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Financial assets				
Loans	1,102.41	4.09	-	1,106.50
Trade receivables	3,484.66	-	-	3,484.66
Cash and cash equivalents	77.87	-	-	77.87
Bank balances other than cash and cash equivalents	1,133.89	-	-	1,133.89
Other financial assets	916.52	52.83	347.63	1,316.99
Total financial assets	**6,715.35**	**56.92**	**347.63**	**7,119.91**
Financial liabilities				
Long term borrowings	18,552.73	10,153.42	-	28,706.14
Short term borrowings	25,600.73	-	-	25,600.73
Lease liabilities	7.98	15.72	-	23.70
Trade payables	60,734.36	-	-	60,734.36
Other financial liabilities	13,419.01	-	-	13,419.01
Total financial liabilities	**1,18,314.81**	**10,169.14**	**-**	**1,28,483.94**

X. Level wise disclosure of financial instruments

The carrying amount of financial assets and financial liabilites as stated above is considered to be same of it's fair values.
There are no transfers between level 1, Level 2 and Level 3 during the period.
The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

36. Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund recognized in statement of profit & loss is ₹ 648.19 lakhs (for the year ended 31 March 2025: ₹ 553.27 lakhs) (included in note 27).

B. Defined benefit plan:

The Company sponsors funded defined benefit plans for all qualifying employees. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of completed service until the retirement age of 58 years as per the provisions of Code of Social Security, 2020. The vesting period for Gratuity as payable under Code of Social Security, 2020 is 5 years for regular employees and for Fixed term employees on a pro-rata basis even if service is less than 5 years.

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk, market risk, investment risk and longevity risk.

i. Interest rate risk:

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and thus result in an increase in the value of the liability (as shown in financial statements).

ii. Liquidity risk:

This is the risk that the company is not able to meet the short-term gratuity payouts. This may rise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

iii. Salary escalation risk:

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv. Demographic risk:

The company has used certain mortality and attrition assumptions in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

v. Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of Code of Social Security, 2020 (as amended from time to time). There is a risk of change in regulation requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of ₹ 20.00 lakhs).

vi. Market risk:

The duration of the liability is longer compared to the duration of the assets, exposing the company to market risk for volatities/fall in interest rate.

vii. Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

viii. Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2026 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (funded)

a. Liability recognized in the balance sheet

₹ in lakhs

Particulars	For the year ended	
	31 March 2026	31 March 2025
Present value of obligation		
Present Value of obligation as at the beginning of the year	1,827.36	1,468.16
Current service cost	228.56	189.76
Interest cost	120.52	104.90
Actuarial (gain) / loss on obligation	-74.50	173.25
Benefits paid	-102.24	(108.71)
Present value of obligation as at the end of the year	**1,999.70**	**1,827.36**

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₹ in lakhs

Change in the fair value of plan assets	31 March 2026	31 March 2025
Fair value of plan assets as at the beginning of the year	1,700.53	1,514.65
Interest income	112.16	108.22
Employers Contributions	202.09	173.94
Benefits paid	-102.24	(108.71)
Return on plan assets , excluding amount recognised in net interest expense	24.48	12.42
Fair value of plan assets as at the end of the year	**1,937.01**	**1,700.53**
Reconciliation of present value of obligation and the fair value of the plan assets		
Closing defined benefit obligation	1,999.70	1,827.36
Closing fair value of plan assets	1,937.01	1,700.53
Net liability (recognized) / reversed for the year	**(62.69)**	**(126.83)**

b. Expenses recognised in the profit and loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2026	31 March 2025
Current and past service cost	228.56	189.76
Interest cost (net)	8.37	(3.32)
Expenses recognised in the income statement	**236.93**	**186.44**

c. Other comprehensive income

₹ in lakhs

Particulars	For the year ended	
	31 March 2026	31 March 2025
Actuarial (gains) / losses	(74.50)	173.25
Return on plan assets, excluding amount recognised in net interest expense	(24.48)	(12.42)
Components of defined benefit costs recognised in other comprehensive income	**(98.98)**	**160.83**

d. Principal actuarial assumptions:

Particulars	For the year ended	
	31 March 2026	31 March 2025
Discount factor	7.00%	6.60%
Expected rate of salary increase	8.86%	8.90%
Attrition rate	12.48%	11.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

e. Experience adjustments:

₹ in lakhs

Particulars	31 March 2026	31 March 2025	31 March 2024	31 March 2023	31 March 2022
Defined benefit obligation	1,999.70	1,827.36	1,468.16	1,291.08	1,243.51
Plan assets	1,937.01	1,700.53	1,514.65	1,366.16	1,235.92
Surplus/(deficit)	**(62.69)**	**(126.83)**	**46.49**	**75.08**	**(7.58)**
Experience adjustments on plan liabilities-loss/(gain)	(74.50)	173.25	27.84	(87.31)	(102.71)
Experience adjustments on plan assets-loss/(gain)	(24.48)	(12.42)	(8.26)	(5.19)	(1.08)

f. The Company expects to contribute ₹ 284.53 lakhs (31 March 2025: ₹ 347.46 lakhs) to its gratuity plan for the next year.

g. In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to date mortality tables, the base being the Indian assured lives mortality (2012-14).

h. Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

i. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

j. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

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Sensitivity analysis

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

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Defined benefit obligation (base)	1,999.70	1,827.36

Particulars	31 March 2026		31 March 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	2,126.05	1,885.95	1,958.97	1,710.10
(% change compared to base due to sensitivity)	6.30%	-5.70%	7.20%	-6.40%
Salary growth rate (- / + 1%)	1,890.94	2,116.79	1,714.85	1,949.92
(% change compared to base due to sensitivity)	-5.40%	5.90%	-6.20%	6.70%
Attrition rate (- / + 50% of attrition rates)	2,109.22	1,929.61	1,950.93	1,749.86
(% change compared to base due to sensitivity)	5.50%	-3.50%	6.80%	-4.20%
Mortality rate (- / + 10% of mortality rates)	1,999.95	1,999.45	1,827.75	1,826.97
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of plan assets (as percentage of total plan assets)

Particulars	31 March 2026	31 March 2025
Fund managed by LIC	100.00%	100.00%

Asset liability matching strategies

The fund is managed by BMM Ispat Limited Employees Group Gratuity Assurance Scheme and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy. The trust has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of the funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which could result in increase in liability without corresponding increase in the assets).

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows) is 8 years

₹ in lakhs

Expected cash flows over the next (valued on undiscounted basis)	31 March 2026	31 March 2025
1 year	268.13	213.56
2 to 5 years	1,025.78	840.69
6 to 10 years	938.10	844.05
More than 10 years	1,054.91	1,205.68

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C. Compensated leave absences (unfunded)

- Liability recognized in the balance sheet

₹ in lakhs

Particulars	For the year ended	
	31 March 2026	31 March 2025
Present value of obligation		
Present value of obligation as at the beginning of the year	816.57	623.70
Current service cost	194.00	164.96
Interest cost	53.86	44.56
Actuarial (gain) / loss on obligation	22.83	124.68
Benefits paid	(193.41)	(141.33)
Present value of obligation as at the end of the year	**893.85**	**816.57**
Net liability recognized in the balance sheet	**893.85**	**816.57**

- Expenses recognised in the profit & loss account

₹ in lakhs

Particulars	For the year ended	
	31 March 2026	31 March 2025
Current service cost	194.00	164.96
Interest cost	53.86	44.56
Actuarial (gain) / loss on obligation	22.83	124.68
Expenses recognised in the income statement	**270.69**	**334.20**

- Principal actuarial assumptions

Particulars	For the year ended	
	31 March 2026	31 March 2025
Discount factor	7.00%	6.60%
Salary increase	8.86%	8.90%
Attrition rate	12.48%	11.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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37 **Contingent liabilities:**

₹ in lakhs

	Particulars	31 March 2026	31 March 2025
A	Disputed claims/levies (excluding interest and penalties if any), in respect of		
i)	Income tax matters, pending decisions on various appeals made by the company	9,430.65	11,168.30
ii)	Excise duty	1.66	606.01
iii)	GST	2,686.73	2,686.73
iv)	Goa Transport cess	3,294.68	3,294.68
v)	MSME Creditors	-	425.61
vi)	Demand from Power Utilities	7,673.13	5,697.28
vii)	Karnataka State Forest Transit fees	591.98	150.70
viii)	Panchayat Tax	1,418.28	1,418.28
ix)	Others	276.09	276.09

B. Forest development tax/fee:

In 2008, the State of Karnataka levied Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT before Karnataka High Court by various stakeholders (including BMM Ispat Limited) were filed to which the Hon'ble High Court of Karnataka has granted partial relief by a judgement dated 3 December, 2015. The High Court vide its judgment has directed refund of the entire amount of FDT collected by State Government on sale of iron ores by private lease operators and NMDC. The State Government has filed an appeal before the Supreme Court of India. The Hon'ble Court has not granted stay on the operation of the judgment but only stayed refund of FDT. The matter is yet to be heard by the Hon'ble Supreme Court of India. The company has discharged said levy and treated the levy as cost of procurement and included in purchase price.

The State of Karnataka on 27 July, 2016, has amended Section 98-A of the Forest Act retrospectively and substituted the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the company, the Hon'ble High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the Hon'ble Supreme Court of India and the same is currently pending. Based on merits of the case and supported by a legal opinion, the company has not recognised provision for FDF of ₹ 50,595.50 lakhs as at 31 March 2026 and ₹ 44,589.94 lakhs as at 31 March 2025 (including paid under protest and disclosed as receivable ₹ 1,298.46 lakhs) and treated it as a contingent liability.

38 **Commitments**

₹ in lakhs

	Particulars	31 March 2026	31 March 2025
A	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	4,546.07	10,848.31

The above commitment also includes ₹ 1289.50 lakhs towards Village Rehabilitation and settlement to Village Residents as on 31st March 2026 (₹ 829.62 lakhs as on 31st March 2025).

Other commitments:

The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to:

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Export promotion capital goods scheme	4,326.28	30,415.62

The company is also involved in other lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business, however, there are no such matters pending that the company expects to be material in relation to its business.

39 The company has given counter guarantees to banks towards guarantees issued by them on behalf of the company: ₹ 597.24 lakhs (31 March 2025: ₹ 964.24 lakhs)

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

40 Based on the information available with the Company, Principal amount due to micro and small enterprises as defined under MSMED Act, 2006 is ₹ 7,737.35 lakhs (31 March 2025: ₹ 7,662.44 lakhs). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is ₹ Nil (31 March 2025: ₹ Nil).

(It includes an amount of ₹ 1,927.32 Lakhs which was included in other financial Liablities (31 March 2025: ₹ 2,753.60 lakhs)

₹ in lakhs

S No	Particulars	31 March 2026	31 March 2025
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	7,737.35	7,662.44
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
G	Further interest remaining due and payable for earlier years	-	-

41 (1) During the FY 2019-20, the company had entered into a binding strategic investment agreement with M/s. JSW Projects Limited ("Investor") pursuant to which the investor was desirous of investing ₹ 50,000.00 lakhs by way of subscription to the securities to be issued by the company. Subsequently, the company entered into an amendment agreement to the strategic investment agreement referred to above on 22 October 2020 with the investor, pursuant to which the company has allotted the following securities on 27 October 2020 to:

a. Investor

- 10,12,85,330 equity shares of ₹ 10 each amounting to ₹ 10,128.53 lakhs.
- 23,85,30,953 Series A-Compulsory Convertible Debentures (Series A-CCD) of ₹ 10 each amounting to ₹ 23,853.09 lakhs.
- 16,01,83,717 Series A-Optionally Convertible Debentures (Series A-OCD) of ₹ 10 each amounting to ₹ 16,018.37 lakhs.

b. Mr. Dinesh Kumar Singhi and Mrs. Snehalatha Singhi ("promoters")

- 20,02,49,805 and 4,81,16,473 Series B-Compulsory Convertible Debentures (Series B-CCD) of ₹ 10 each respectively for the total amounting to ₹ 24,836.63 lakhs in lieu of outstanding loan amounts due by the company.

Further, On 16 December 2020, upon satisfactory completion of conditions referred to in the amendment agreement, the Series A-OCD's were converted to 4,90,40,307 equity shares of ₹ 10 each and 11,11,43,410 Series C-Compulsory Convertible Debentures (Series C-CCD) of ₹ 10 each.

Post issuance of the above securities, the investor owns 58.47% & promoters own 41.53% equity in the company.

Further, after the completion of 48 months from the date of allotment of securities to the investor, the promoters have a right to buy investor's share of equity between 48-60 months. However, if the promoters do not exercise the said right then the investor has the right to buy promoters share of equity between 60-72 months.

(2) On 27 October 2020, the company received an amount of ₹ 5,000.00 lakhs from the investor as subordinate loan and the same is repaid on 26 Novemner 2021.

(3) On 02 November 2020, the company allotted 7,250 Non-Convertible Debentures of ₹ 10,00,000 each issued at a discount of 1% amounting to ₹ 71,775.00 lakhs to M/s. J.P. Morgan Securities Asia Private Limited. The company has redeemed the debentures in full on 26 November 2021.

(4) All the above proceeds including internal accruals were utilized for one time settlement of loans (incl. working capital loans) availed from Edelweises Asset Reconstruction Company (EARC) and Adithya Birla Asset Reconstruction Company (ABARC). Accordingly, the company paid ₹ 1,29,789.00 lakhs to EARC and ₹ 20,669.00 lakhs to ABARC towards full and final settlement of their respective loans.

Post the above settlements, the balance loan outstanding in the books to EARC and ABARC amounting to ₹ 2,54,176.95 lakhs and an amount of ₹ 3.87 lakhs due to the promoters, has been written back and treated as an exceptional income in the statement of profit and loss for the year ended 31 March 2021.

On 29/10/2025, the Company allotted 59,80,40,641 equity shares to the existing shareholders pursuant to the conversion of Fully and Compulsorily Convertible Debentures (CCDs).

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

Segment reporting:

42 The company is in the business of manufacturing iron and steel products having similar economic characteristics, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

a) Revenue from operations

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Domestic	4,77,611.14	3,10,181.15
Export	-	-
Total	**4,77,611.14**	**3,10,181.15**

Revenue from operations have been allocated on the basis of location of customers.

b) Non-Current Assets

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

c) Customers contributing more than 10% of Revenue

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Group		
JSW Steel Limited	82,571.96	48,673.20
Other than Group		
Sugna Metals Limited *	30,905.45	42,816.28
Total	**1,13,477.41**	**91,489.48**

* Turnover for FY 2025-26 is less than 10% of Revenue

43 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR Committee has been formed by the company as per the Act.

₹ in lakhs

a.

Particulars	31 March 2026	31 March 2025
(i) amount required to be spent by the company during the year	99.02	651.80
(ii) amount of expenditure incurred	99.02	510.05
(iii) shortfall provided at the end of the year	-	141.75
(iv) total of previous years shortfall provided	82.00	639.88
(v) reason for shortfall	Refer 'c' below	
(vi) nature of CSR activities	Health & Nutrition, Improving Education; Water, Environment & Sanitation; Rural Development projects, Skill Enhancement & livelihood, Promotion of rural sports and Art & Culture.	
(vii) details of related party transactions, e.g., contribution to a trust (JSW Foundation) controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	99.02	364.02
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Refer 'd' below	

b. Amount earmarked for on-going projects:

₹ in lakhs

Particulars	31 March 2026			31 March 2025		
	With company	in separate CSR Unspent A/c	Total	With company	in separate CSR Unspent A/c	Total
Opening Balance	**141.75**	**639.88**	**781.64**	**472.16**	**700.40**	**1,172.57**
Amount required to spent at the end of the year	-	-	-	141.75	-	**141.75**
Transfer to separate Unspent CSR A/c	(141.75)	141.75	-	(472.16)	472.16	-
Income earned on Unspent CSR amount	-	22.53	**22.53**	-	38.01	**38.01**
Amount spent during the year	-	(722.17)	**(722.17)**	-	(570.69)	**(570.69)**
Closing Balance	**-**	**82.00**	**82.00**	**141.75**	**639.88**	**781.64**

c. The unspent amount on ongoing projects as at 31 March 2026 aggregating is NIL (31 March 2025 ₹ 141.75 lakhs) was not requited to be deposited in separate CSR unspent account within the timeline stipulated as per the Companies Act, 2013.

d. Details of movement in provisions in FY 2025-26:

₹ in lakhs

Opening Provision	Spent during the year	Income earned on Unspent CSR amount	Current year provision	Closing provision
781.64	722.17	22.53		82.00

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS MUMBAI FRN: 109574W

BMM ISPAT LTD DANAPUR

44 **Related party disclosures as per Ind AS 24:**

SL No.	Description of relationship	Names of related parties
A.	Holding company	JSW Projects Limited
B.	Enterprise over which KMP and relative of such KMP exercise significant influence.	Ranjitpura Infrastructure Private Limited Bharat Mines & Minerals
C.	Other related parties	JSW Steel Limited JSW Cement Limited Ennore Coal Terminal Private Limited South West Mining Limited Everbest Consultancy Services Private Limited JSW Foundation Adarsh Advisory Services Private Limited Bhushan Power & Steel Limited JSW Steel Coated Products Limited JSW Structural Metal Decking Limited Mangalore Coal Terminal Private Limited JSW Minerals Trading Private Limited JSW Energy Limited South West Port Limited JSW Paints Private Limited JSW International Tradecorp Pte Limited JSW Infrastructure Limited JSW Vijayanagara Metallics Limited JSW Defence Private Limited (Formally Known as JSW Multiventures Private Limited) JTPM Metal Traders Limited Gagan Trading Company Private Limited Amba River Coke Limited JSW Sarbloh Motors Private Limited
D.	Key Management Personnel (KMP)	
	Non-Executive Director	Mr. Dinesh Kumar Singhi. Mr.Pawan Kumar Kedia
	Whole Time Director, CEO & Chairman	Mr. Vimal Singh
	Executive Director & CFO	Mr. V.V.V Raju
	Whole Time Director	Mr. Rajendra Moondra
	Independent Directors	Mr. Krishna Desika Dr. Rakhi Jain
	Company Secretary	Ms. Swetha S
E.	Post-employment benefits entities	BMM Ispat Limited Employees Group Gratuity Assurance Scheme

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD * DANAPUR *

I. Transactions with related parties

₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties *		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Sale of goods								
JSW Steel Limited	-	-	-	-	3,71,296.28	57,389.58	3,71,296.28	57,389.58
JSW Defence Private Limited	-	-	-	-	-	258.41	-	258.41
JSW Sarbloh Motors Private Limited	-	-	-	-	635.70	849.87	635.70	849.87
JTPM Metal Traders Private Limited	-	-	-	-	4,035.85	-	4,035.85	-
Gagan Trading Company Private Limited	-	-	-	-	-	808.71	-	808.71
Bhushan Power & Steel Limited	-	-	-	-	-	0.52	-	0.52
JSW Cement Limited	-	-	-	-	1,017.03	11.89	1,017.03	11.89
JSW Vijayanagar Metallics Limited	-	-	-	-	7,049.53	1,123.18	7,049.53	1,123.18
Other income								
-Plot rent waived								
Mangalore Coal Terminal Private Limited	-	-	-	-	-	1.18	-	1.18
-Punitive charges								
Mangalore Coal Terminal Private Limited	-	-	-	-	-	0.37	-	0.37
-Discount received							-	-
JSW Steel Limited	-	-	-	-	-	41.71	-	41.71
-Dispatch Money earned								
JSW International Tradecorp Pte Ltd,	-	-	-	-	-	14.98	-	14.98
-Differential Ocean Freight								
JSW International Tradecorp Pte Ltd,	-	-	-	-	-	101.23	-	101.23
-Demurrage charges earned								
JSW International Tradecorp Pte Ltd,	-	-	-	-	157.93	39.58	157.93	39.58
Recovery of expenses							-	-
JSW Steel Limited	-	-	-	-	38.88	89.68	38.88	89.68

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD * DANAPUR *

Purchase of goods/services								
JSW Steel Limited	-	-	-	-	77,239.22	13,715.33	77,239.22	13,715.33
JSW Cement Limited	-	-	-	-	265.13	378.19	265.13	378.19
JSW International Tradecorp Pte Ltd,	-	-	-	-	60,052.61	74,834.78	60,052.61	74,834.78
Ennore Coal Terminal Private Limited	-	-	-	-	182.67	833.34	182.67	833.34
Everbest Consultancy Services Private Limited	-	-	-	-	50.82	26.33	50.82	26.33
Mr. Dinesh Kumar Singhi	-	-	85.86	85.86			85.86	85.86
Amba River Coke Limited	-	-	-	-	60,762.42	1,415.94	60,762.42	1,415.94
JSW Minerals Trading Private Limited	-	-	-	-	1,790.67	2,445.88	1,790.67	2,445.88
Mangalore Coal Terminal Private Limited	-	-	-	-	3,198.07	3,084.23	3,198.07	3,084.23
Ranjitpura Infrastructure Private Limited	-	-	8,724.12	16,404.35	-	-	8,724.12	16,404.35
Bharat Mines&Minerals	-	-	390.98	247.02	-	-	390.98	247.02
JSW Steel Coated Products Limited	-	-	-	-	-	225.85	-	225.85
South West Mining Limited	-	-	-	-	224.33	-	224.33	-
JSW Vijayanagara Metallics Limited	-	-	-	-	5,759.16	-	5,759.16	-
CSR Expenses								
JSW Foundation	-	-		-	821.19	926.46	821.19	926.46
Interest paid								
JSW International Tradecorp Pte Ltd,	-	-	-	-	1,154.92	602.71	1,154.92	602.71
JSW Steel Limited	-	-	-	-	310.45	-	310.45	-
Demurrage charges								
JSW International Tradecorp Pte Ltd,	-	-	-	-	-	97.74	-	97.74
Dispatch Incurred								
JSW International Tradecorp Pte Ltd,	-	-	-	-	7.04	31.84	7.04	31.84
Reimbursement of Bank Charges								
JSW Steel Limited	-	-	-	-	2.24	-	2.24	-
Total Amount	**-**	**-**	**9,200.96**	**16,737.23**	**5,96,052.15**	**1,59,349.49**	**6,05,253.11**	**1,76,086.72**

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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II. Amount due to / from related parties

₹ in lakhs

Particulars	Holding company		Enterprise over which KMP and relative of such KMP exercise significant influence.		Other related parties *		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade payables								
JSW Steel Limited	-	-	-	-	23,409.03	916.25	23,409.03	916.25
JSW Cement Limited	-	-	-	-	9.49	32.57	9.49	32.57
Everbest Consultancy Services Private Limited	-	-	-	-	19.89	2.41	19.89	2.41
JSW International Tradecorp Pte Ltd,	-	-	-	-	10,628.14	15,887.22	10,628.14	15,887.22
Bharat Mines and Minerals	-	-	-	4.18	-	-	-	4.18
Mangalore Coal Terminal Private Limited	-	-	-	-	222.61	2,531.73	222.61	2,531.73
JSW Minerals Trading Private Limited,	-	-	-	-	-	2,440.98	-	2,440.98
Ranjitpura Infrastructure Private Limited	-	-	-	1,446.51	-	-	-	1,446.51
Amba River Coke Ltd.	-	-	-	-	33,414.59	1,414.64	33,414.59	1,414.64
South West Mining Limited	-	-	-	-	30.94	-	30.94	-
JSW Foundation	-	-	-	-	0.30	178.69	0.30	178.69
JSW Vijayanagara Metallics Ltd	-	-	-	-	5,537.31	-	5,537.31	-
Revenue advances							-	-
JSW Steel Limited	-	-	-	-	31.67	243.11	31.67	243.11
JSW Vijayanagara Metallics Ltd	-	-	-	-	-	3.50	-	3.50
Bharat Mines and Minerals	-	-	8.50	-	-	-	8.50	-
Capital advances								
JSW Steel Coated Products Limited	-	-	-	-	34.37	34.37	34.37	34.37
Trade receivables								
JSW Steel Limited	-	-	-	-	48,816.20	4,213.97	48,816.20	4,213.97
Gagan Trading Company Private Limited	-	-	-	-	-	57.96	-	57.96
JSW Sarbolh Motors Private Limited	-	-	-	-	-	5.37	-	5.37
JSW Vijayanagar Metallics Limited	-	-	-	-	5,964.59	2.05	5,964.59	2.05
Rental deposit								
Mr. Dinesh Kumar Singhi	-	-	-	-	40.00	40.00	40.00	40.00

* includes Key Managerial Persons and relatives of Key Mangerial Persons.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD DANAPUR

Compensation to Key Management Personnel

Particulars
Short-term employee benefits
Total Compensation to Key Managerial Personnel

III. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (BMM Ispat Limited employees group gratuity assurance scheme). During the year, the company contributed ₹ 202.09 lakhs (31 March 2025: ₹ 173.94 lakhs). The fair value of plan assets as at 31 March 2026 is ₹ 1,937.01 lakhs (31 March 2025: ₹ 1,700.52 lakhs).

IV. Compensation to key management personnel

₹ in lakhs

Particulars	31 March 2026	31 March 2025
Short-term employee benefits	534.53	460.91
Total compensation to key managerial personnel	**534.53**	**460.91**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Independent Non-Executive Directors along with one Non-Executive Director are paid remuneration by way of sitting fees. The sitting fees payable to the Directors are based on the number of meetings of the Board, its Committees attended by them as Member or as Invitee. The Company pays sitting fees at the rate of ₹ 0.50 lakhs for each meeting of the Board, ₹ 0.20 lakhs for each meeting of the Board's Committees and ₹ 0.20 lakhs for Independent Non-Executive Director for attending the Independent Directors' meeting. The Company paid an amount of ₹ 16.30 lakhs as on 31 March 2026 (31 March 2025: ₹ 13.50 lakhs), which is not included above

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

BMM ISPAT LTD * DANAPUR *

45 The following are the analytical ratios for the year ended 31 March 2026 and 31 March 2025.

S NO	Particulars	Numarator	Demonimator	31 March 2026	31 March 2025	Variance	Variance (%)	Reasons for Variance
(i)	Current Ratio	Current Assets	Current Liabilities	0.94	0.73	0.22	30%	(a)
(ii)	Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.34	0.19	0.15	78%	(b)
(iii)	Debt service coverage ratio	Earnings available for Debt Service	Debt Serivce	0.68	0.15	0.53	353%	(c)
(iv)	Return on Equity Ratio	Net Profit after Taxes	Shareholder's Equity	-4%	-4%	0%	7%	
(v)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.36	3.47	0.89	26%	(d)
(vi)	Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	16.10	57.15	(41.05)	-72%	(e)
(vii)	Trade payables turnover ratio	Purchases	Average Trade Payables	4.61	6.90	(2.29)	-33%	(f)
(viii)	Net Capital turnover ratio	Revenue	Working Capital	(51.71)	(8.44)	(43.27)	513%	(a)
(ix)	Net Profit Ratio	Net Profit after tax	Revenue from operations	-2.50%	-3.76%	1%	-34%	(g)
(x)	Return on Capital Employed	Earning Before Interest and Taxes	Captail Employed	-1.84%	-3.20%	1%	-43%	(h)
(xi)	Return on Investments	Not Applicable*						

* The company does not have any investments during the year / previous year

(a)	During the FY 2025-26, the Integrated Steel Operations (ISP) have been stabilised, improvement in the market conditions and margins, have led to improved working capital position as compared to previous year.
(b)	The company availed term loans & working capital during the year, hence there is an increase in Debt Equity Ratio as compared to previous year.
(c)	During the FY 2025-26, the ISP operations have been stabilised, improvement in the market conditions and margins, have led to improved Debt Service Coverage Ratio as compared to previous year.
(d)	During the FY 2025-26, the ISP operations have been stabilised, improvement in the market conditions have led to improved Inventory Turnover Ratio as compared to previous year.
(e)	Due to extended credit for the ISP products, the overall receivables increased during current year as compared to previous year.
(f)	The overall raw-materials requirements increased & also got the extended credit period from the vendors during current year as compared to previous year.
(g)	During the FY 2025-26, the ISP operations have been stabilised, improvement in the market conditions and margins, have led to improved net profit ratio as compared to previous year.
(h)	During the FY 2025-26, the ISP operations have been stabilised, improvement in the market conditions and margins, have led to improved return on capital employed as compared to previous year.

SHAH GUPTA & CO. CHARTERED ACCOUNTANTS MUMBAI FRN: 109574W

BMM ISPAT LTD DANAPUR

46 **Trial Run Operations:**

The Company has commissioned the Blast Furnace Plant on 22 November 2024, the plant is under trial run operation upto 30 June 2025. The summary of Income/expenduiture during trial operation period is as under:

₹ in lakhs

Particulars	FY 2025-26	FY 2024-25
Revenue from Trial Operations	2,636.75	6,606.61
Total Income (I)	**2,636.75**	**6,606.61**
Expenses		
Cost of materials consumed	12,096.17	19,179.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,902.72)	(1,233.31)
Employee benefit expenses	256.59	355.48
Depreciation and amortization expenses	0.60	1.30
Other expenses	1,112.70	2,107.03
Total expenses (II)	**11,563.33**	**20,409.86**
Trial Period Loss (I)-(II)	**(8,926.58)**	**(13,803.25)**

The Finished goods Inventory under Trial run operation as on 31 March 2026 is Nil (31 March. 2025 is ₹ 1,233.31 lakhs forming part of inventory as on 31 March 2025).

Product wise Turnover:

₹ in lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Pig Iron	2,299.38	6,485.56
Granulated Slag	337.38	121.04
Total Amount	**2,636.76**	**6,606.61**

The Revenue as disclosed in Profit and Loss statement is net off trial run revenue.
The Expenses as disclosed in Profit and Loss statement is net off trial run expenses under relavent head of profit and loss statement.

47 The Company received Environmental Clearance (EC) on 20 July 2023 for steel plant expansion from Ministry of Environment, Forest and Climate Change (MoEFCC), mandating the Company to spend ₹ 8,000 lakhs over a period of 3 years on public interest activities such as health, education, environment, water, infrastructure, and livelihood. Additionally, the company is also required to adopt 5 villages with in a period of 10 years at a cost of ₹ 3,000 lakhs.
The Company has requested MoEFCC letter dated 20 December 2023, to reduce the total expenditure of ₹ 11,000 lakhs to ₹ 5,000 lakhs and will be spent on right earnest pro-rata basis over the project's implementation and commissioning period of 7-10 years.

48 The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 01 April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The audit trail features was enabled and operative throughout the financial year for the transactions recorded in the software impacting books of account at application level and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

49 Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

50 Other statutory information:

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

iv) The Company does not have any subsidiaries, associates and joint ventures.

v) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

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

vii) Quarterly returns filed by the Company with banks are in agreement with the books of accounts..

viii) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date except as stated below:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of Use	Land	607.30	KIADB*	No	23/07/2019	Proposal for Execution of Absolute Sale deed is in process.
Right of Use	Land	40.46	KIADB*	No	17/05/2020	
Right of Use	Land	42.14	KIADB*	No	27/12/2020	
Right of Use	Land	60.92	KIADB*	No	20/10/2020	
Right of Use	Land	149.98	KIADB*	No	27/06/2022	
Right of Use	Land	4,882.40	KIADB*	No	05/07/2022	
Right of Use	Land	1,170.89	KIADB*	No	06/11/2024	
Right of Use	Land	425.31	KIADB*	No	26/02/2023	
Right of Use	Land	64.95	KIADB*	No	13/05/2025	

*** Karnataka Industrial Area Development Board**

ix) The Company does not have any transactions with companies which are struck off.

For and on behalf of the Board of Directors

V.V.V. RAJU
Chief Financial Officer

Place: Danapura
Date: 07-05-2026

GANESH HEGDE
WHOLE TIME DIRECTOR
DIN: 11703239
Place: Danapura
Date: 07-05-2026

MANJUNATH PRABHU
Whole Time Director & CEO
DIN: 07581598
Place: Danapura
Date: 07-05-2026

SWETHA S
Company Secretary
M. No:F11494
Place: Danapura
Date: 07-05-2026

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BMM ISPAT LIMITED
Financial Statements for the year ended 31 March 2026

Notes to financial statements for the year ended 31 March 2026

1. Corporate Information

BMM Ispat Limited (formerly known as B.M.M. Ispat Limited) ("the company") is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The company is in the business of manufacturing and selling of steel & allied products and generation of power. The Company has its registered office and manufacturing facilities located at 114 Danapura Village, Hospete Taluk, Vijayanagara (formerly known as Ballari) District of Karnataka, India.

2. Material Accounting Policies

a. Statement of compliance

These Financial Statements have been prepared in accordance with the accounting policies generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under 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) and presentation requirement of Division II of Schedule III of the Companies Act 2013.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 07-05-2026

b. Basis of preparation and presentation of financial statements

The Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial instruments measured at fair values at the end of each reporting period, as stated in the accounting policies

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set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Fair value is the price that would be received to sell an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. 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

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described below. The fair value hierarchy gives the highest priority to quoted prices

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in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement dates;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. Current / Non – current Classification

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

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services

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and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. Summary of material accounting policies

I. Revenue recognition

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

Revenue from sale of by products are included in revenue.

The Company recognises revenue generally at the point in time when the products are delivered to customer which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

a. Contract assets including trade receivables

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

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the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

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

b. Contract Liabilities

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

c. Refund liabilities

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

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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II. Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment, except freehold/leasehold land, held for use in the production, supply or administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

PPE value lessthan ₹ 0.05 lakhs charges to profit & loss account.

The cost of an item of property, plant and equipment comprises of its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these 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 derecognised when replaced. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

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Capital work in progress and Capital advances:

Cost of asset not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress and is carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current assets.

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation

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

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Class of assets	Years
Plant and Machinery of Rolling Mill	20 Years
Plant and Machinery of Oxygen plant	25 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 01 April 2019 and all leases are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The company reviews residual values, useful life and depreciation method annually and, if expectations differ previous estimate, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss. Fully depreciated assets still in use are retained in financial statements.

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III. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Expenditure on development is also charged to the Statement of Profit and Loss unless the technical feasibility has been established, in which case such expenditure is capitalized. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

For transition to Ind AS, the Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

Amortization:

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

Class of assets	Years
Computer Software	03 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from

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previous estimates, such change is accounted for as a change in an accounting estimate on a prospective basis.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

IV. Borrowing Costs

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

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V. Government grants and subsidies

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

VI. Foreign Currency Translation

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

Initial Recognition:

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

Measurement of foreign currency items at reporting date:

At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured at fair

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value in a foreign currency, are retranslated at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are not retranslated.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

VII. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably

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certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

VIII. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, assets that are subject to depreciation and amortization are reviewed for impairment, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset

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is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss and included in depreciation and amortization expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

IX. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and

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actions required to complete such sale indicate that it is unlikely that significant change to the plan to sell will be made or that the decision to sell will be withdrawn. Further, the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortized.

X. Inventories

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

Cost of raw materials includes all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the raw materials to their present location and condition.

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

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

All the other products (by-products & scrap) are valued at Net Realizable value.

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XI. Income taxes

Tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax:

Current tax is measured at the amount of tax expected to be payable on the taxable profit for the year as determined in accordance with the tax rates that have been enacted by the end of reporting period and the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is recognised using the Balance Sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized outside profit or loss, in which case, the current and deferred tax income/expense are recognized either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

XII. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

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Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIII. Employee benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized

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as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

The company operates two defined benefit plans for its employees, viz., Gratuity and leave benefits. The Company contributes to Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India towards meeting the Gratuity obligation. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary, payable for each completed year of service or part thereof subject to the maximum of ₹ 20.00 lakhs and vesting occurs upon completion of five years of service.

Recognition and measurement of Defined Benefit plans:

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- net interest expense or income and
- re-measurement.

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The company presents the first two components of defined benefit costs in the statement of profit or loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for a past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other Long Term Employee benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

XIV. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the

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financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

XV. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVI. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash and cheques in hand, bank balances, and short-term deposits with banks where the original maturity is three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVII. Segment reporting

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

XVIII. 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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Initial measurement

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

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

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

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

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A) Financial Assets:

Recognition:

i. The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

ii. The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

Subsequent measurement

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

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

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

i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 Statement of Profit and Loss, 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 Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the

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requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

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. The company recognises a financial asset and financial liability in its Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets:

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

i. The contractual rights to cash flows from the financial asset expires;
ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

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iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment:

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The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed by taking into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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B) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

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- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognized as deferred payment liabilities.

Derecognition of financial liabilities:

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The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

C) Derivative financial instruments and Hedge accounting

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition:

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

D) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting Treatment

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

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Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

3. Key sources of estimation uncertainty and critical accounting judgments

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In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Key sources of estimation uncertainty

a. Useful lives of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

c. Contingencies

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In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits are probable.

d. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

e. Income Taxes

In accordance with IND AS 12 Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f. Allowance for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such

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difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g. Allowance for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that no allowance for obsolete and slow-moving inventories need to be made in the financial statements.

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