

INDEPENDENT AUDITOR'S REPORT

To the Members of JSW Vijayanagar Metallics Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of JSW Vijayanagar Metallics Limited ("the Company"), which comprise the Balance Sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

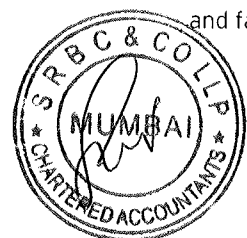
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report, but does not include the financial statements and our auditor's report thereon.

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 and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

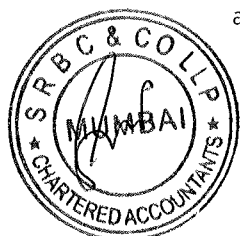
- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ 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.

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

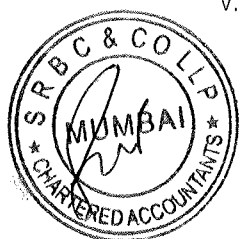
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid 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 Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.



- vi. As more fully described in note 43 to the financial statements, based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & C O L L P

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Shyamsundar R Pachisia
Partner

Membership Number: 049237
UDIN: 24049237BKCEQK9015



Place of Signature: Mumbai

Date: May 16, 2024

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: JSW Vijayanagar Metallica Limited ("the Company")

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

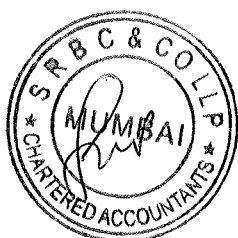
- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) 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) disclosed in note 8 to the financial statements included in property, plant and equipment are held in the name of the Company except for the following:

Description of Property	Gross carrying value (Rs. In Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Leasehold land	6,877	Government of Karnataka	No	April, 2021	Lease deed between JSW Steel Limited (Lessor) & Government of Karnataka has expired. Approval for proposal of JSW Steel Limited for execution of absolute sale deed is pending with Cabinet (State Government)
	2,995	Government of Karnataka	No	Dec, 2023	

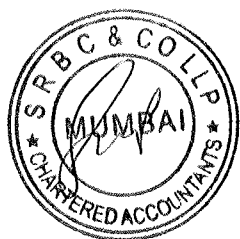
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended March 31, 2024. The Company has not capitalized any intangible assets in the books of the Company.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.



- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order are not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, customs duty, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, cess, and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Monies raised during the year by the Company by way of term loans, was initially invested in bank deposits and were ultimately applied for the purpose for which they were raised.



- (d) The Company did not raise any short term funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order are not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.



- (d) We have been informed by the management that 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 four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 531 lakhs. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 4,939 lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause (xx)(a) and (b) of the Order are not applicable to the Company.

For S R B C & CO LLP

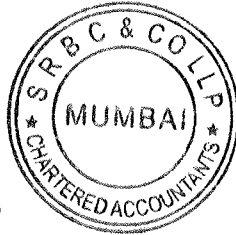
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Shyamsundar R Pachisia
Partner

Membership Number: 049237
UDIN: 24049237BKCEQK9015



Place of Signature: Mumbai

Date: May 16, 2024

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of JSW Vijayanagar Metallics Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of JSW Vijayanagar Metallics 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.

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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

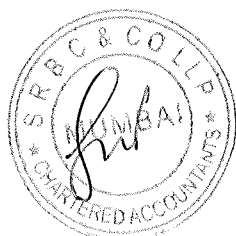
Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note")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

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

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

Meaning of Internal Financial Controls With Reference to Financial Statements

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



Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

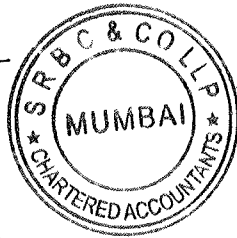
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Shyamsundar R Pachisia
Partner
Membership Number: 049237
UDIN: 24049237BKCEQK9015



Place of Signature: Mumbai
Date: May 16, 2024

JSW Vijayanagar Metallics Limited
Balance Sheet as at 31 March, 2024

CIN: U27300MH2019PLC334944

₹ in lakhs

	Notes	As at 31 March, 2024	As at 31 March, 2023
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	6	246,367	1,295
(b) Capital work in progress	7	1,322,110	800,581
(c) Right of use assets	8	9,071	3,266
(d) Financial assets			
(i) Other financial assets	9	370	340
(e) Other non-current assets	10	206,205	107,961
(f) Non current tax assets (net)		227	-
Total non-current assets		1,784,350	913,443
Current assets			
(a) Inventories	12	4,604	-
(b) Financial assets			
(i) Trade receivables	13	263	-
(ii) Cash & Cash equivalent	11	140,221	7,950
(iii) Bank balances other than (ii) above	11	2,038	-
(iv) Derivative assets	14	38	-
(c) Other current assets	15	4,075	611
Total current assets		151,239	8,561
TOTAL ASSETS		1,935,589	922,004
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	997,015	423,521
(b) Other equity	17	(6,668)	(5,456)
Total equity		990,347	418,065
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	568,564	164,010
(ii) Lease liabilities	8	82	60
(iii) Other Financial liabilities	20	84,920	30,818
(b) Provision	19	1,277	563
Total non-current liabilities		654,843	195,451
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	126,950	188,465
(ii) Lease liabilities	8	5,973	1
(iii) Trade payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,093	212
(iv) Other Financial liabilities	22	122,721	102,146
(b) Provision	19	432	120
(c) Other Current Liabilities	23	33,230	17,381
(d) Current tax liabilities (net)		-	163
Total current liabilities		290,399	308,488
Total liabilities		945,242	503,939
TOTAL EQUITY AND LIABILITIES		1,935,589	922,004

Summary of material accounting policies

4

The accompanying notes are integral part of the Ind AS financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No. - 324932E/E300003

Shyam Sundar R Pachisia

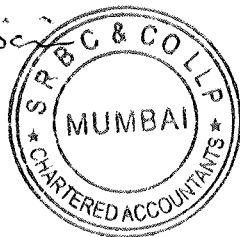
per Shyamsundar R Pachisia

Partner

Membership No. - 049237

Place: Mumbai

Date: 16 May, 2024



For and on behalf of the Board of Directors

Lokendra Raj Singh

Lokendra Raj Singh

Director & Chief Executive Officer

Din:-10573891

Place: Toranagallu

Date: 16 May, 2024

Amit Agarwal

Amit Agarwal

Director & Chief Financial Officer

Din:- 09204911

Place: Toranagallu

Date: 16 May, 2024

Ruchika Shah

Ruchika Shah

Company Secretary

ICSI Membership No:-F9114

Place: Mumbai

Date: 16 May, 2024

Chandrasekaran Prabhakaran

Chandrasekaran Prabhakaran

Director

Din:- 03573049

Place: Mumbai

Date: 16 May, 2024



	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
I. Income			
(a) Revenue from contracts with customers	24	48	-
(b) Other income	25	687	1
Total Income		735	1
II. Expenses			
(a) Cost of materials consumed	26	2,097	-
(b) Changes in inventories of finished goods, semi-finished goods and work-in-progress	27	(2,127)	-
(c) Employee Benefit Expenses	28	5	-
(d) Finance Cost	29	325	-
(e) Depreciation expense	30	407	87
(f) Other expenses	31	1,212	4,538
Total Expenses		1,919	4,625
III. Loss before tax (I-II)		(1,184)	(4,624)
IV. Tax expense			
Current tax	36	-	402
V. Loss for the period (III-IV)		(1,184)	(5,026)
VI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit liability (asset)		-	-
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
(B) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		1	-
(b) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income		1	-
VII. Total comprehensive loss (V+VI)		(1,183)	(5,026)
VIII. Earnings per equity share (Rs. 10/- each)			
Basic and diluted (in Rs.)	32	(0.02)	(0.17)
Summary of material accounting policies	4		

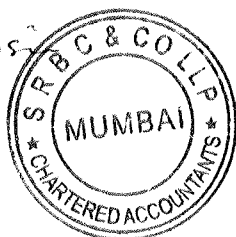
The accompanying notes are integral part of the Ind AS financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. - 324932E/E300003

For and on behalf of Board of Directors

Shyamsundar R Pachisia
per Shyamsundar R Pachisia
Partner
Membership No. - 049237
Place: Mumbai
Date: 16 May, 2024



Lokendra Raj Singh
Lokendra Raj Singh
Director & Chief Executive Officer
Din:-10573891
Place: Toranagallu
Date: 16 May, 2024

Amit Agarwal
Amit Agarwal
Director & Chief Financial Officer
Din:- 09204911
Place: Toranagallu
Date: 16 May, 2024

Ruchika Shah
Ruchika Shah
Company Secretary
ICSI Membership No:-F9114
Place: Mumbai
Date: 16 May, 2024

Chandrasekaran Prabhakaran
Chandrasekaran Prabhakaran
Director
Din:- 03573049
Place: Mumbai
Date: 16 May, 2024



	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A. Cash flow from operating activities		
Loss before tax	(1,184)	(4,624)
Adjustments for:		
Depreciation expense	407	87
Finance cost	325	-
Interest Income	(132)	-
Operating loss before working capital changes	(584)	(4,537)
Changes in working capital		
(Increase) in Inventories	(263)	-
(Increase) in trade receivables	(4,604)	-
(Increase) in other assets	(7,062)	(1,217)
Increase in trade payables	881	153
Increase in other liabilities	2,241	495
Increase/(decrease) in provisions	1027	(43)
Cash used in operations	(7,780)	(612)
Income tax paid	(390)	(208)
Net cash used in operating activities (A)	(8,754)	(5,357)
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(773,117)	(599,637)
Bank deposits not considered as cash and cash equivalents	(2,038)	-
Net cash used in investing activities (B)	(775,155)	(599,637)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	573,494	265,429
Share issue expense	(29)	(13)
Proceeds from borrowings	342,715	347,350
Net cash flow from financing activities (C)	916,180	612,766
Net increase in cash and cash equivalents (A+B+C)	132,271	7,772
Cash and cash equivalents at the beginning of the year	7,950	178
Cash and cash equivalents at the end of the year (Refer Note 11)	140,221	7,950

Summary of material accounting policies

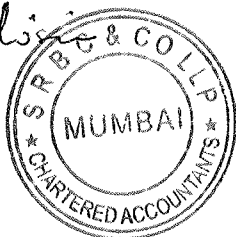
The accompanying notes are integral part of the Ind AS financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. - 324932E/E300003

Shyam R Pachisia

per Shyamsundar R Pachisia
Partner
Membership No. - 049237
Place: Mumbai
Date: 16 May, 2024



For and on behalf of the Board of Directors

Lokendra Raj Singh

Lokendra Raj Singh
Director & Chief Executive Officer
Din:-10573891
Place: Toranagallu
Date: 16 May, 2024

Amit Agarwal

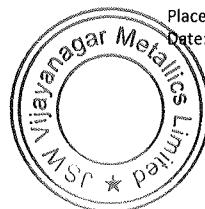
Amit Agarwal
Director & Chief Financial Officer
Din:- 09204911
Place: Toranagallu
Date: 16 May, 2024

Ruchika Shah

Ruchika Shah
Company Secretary
ICSI Membership No:-F9114
Place: Mumbai
Date: 16 May, 2024

Chandrasekaran Prabhakaran

Chandrasekaran Prabhakaran
Director
Din:- 03573049
Place: Mumbai
Date: 16 May, 2024



JSW Vijayanagar Metallics Limited
Statement of Changes in equity for the year ended 31 March, 2024
CIN: U27300MH2019PLC334944

(A) Equity share capital	₹ in lakhs
As at 31 March, 2022	158,092
Movement during the year	265,429
As at 31 March, 2023	423,521
Movement during the year	573,494
As at 31 March, 2024	997,015

(B) Other Equity	Reserves & surplus (Retained earnings)	Other Comprehensive Income (Effective portion of cash flow hedges)	₹ in lakhs Total
As at 31 March, 2022	(417)	-	(417)
Loss for the year	(5,026)	-	(5,026)
Share issue expense	(13)	-	(13)
As at 31 March, 2023	(5,456)	-	(5,456)
Loss for the year	(1,184)	-	(1,184)
Other comprehensive income for the year, net of tax	-	1	1
Share issue expense	(29)	-	(29)
As at 31 March, 2024	(6,669)	1	(6,668)

Summary of material accounting policies

The accompanying notes are integral part of the Ind AS financial statements

As per our report of even date

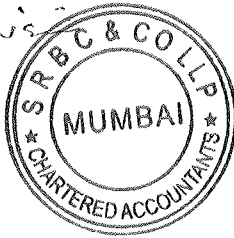
For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration No. - 324932E/E300003

Shyam Pachisia

per Shyamsundar R Pachisia
Partner
Membership No. - 049237
Place: Mumbai
Date: 16 May, 2024



For and on behalf of the Board of Directors

Lokendra Raj Singh

Lokendra Raj Singh
Director & Chief Executive Officer
Din:-10573891
Place: Toranagallu
Date: 16 May, 2024

Amit Agarwal

Amit Agarwal
Director & Chief Financial Officer
Din:- 09204911
Place: Toranagallu
Date: 16 May, 2024

Ruchika Shah

Ruchika Shah
Company Secretary
ICSI Membership No:-F9114
Place: Mumbai
Date: 16 May, 2024

Chandrajekar Prabhakaran

Chandrajekar Prabhakaran
Director
Din:- 03573049
Place: Mumbai
Date: 16 May, 2024



JSW Vijayanagar Metallica Limited

Notes to the financial statements for the year ended March 31, 2024 (all amounts in ₹ lakhs, unless otherwise stated)

1. General information

JSW Vijayanagar Metallica Limited ("the Company") is incorporated in India on December 24, 2019 under the Companies Act, 2013 with its registered office located at 5th Floor, JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai -400051.

The Company is setting up a 5 MTPA Steel manufacturing facility at Vijayanagar in the state of Karnataka which includes Blast Furnace (BF), Steel Melting Shop (SMS), Hot Strip Mill (HSM) (including Plate Mill) and other auxiliary units (together 'the facility') to manufacture steel products across the supply chain.

On 17 March, 2024, Company started the commissioning of the reheating furnaces & roughing mills of the Hot Strip Mill facility relating to plate manufacture and reached desired level of output and capacity utilization by 29 March, 2024. Certain clearances / licenses such as (i) 'Environmental Clearance' ('EC') by Ministry of Environment, Forest and Climate Change ("MoEFCC") in accordance with Environment Impact Assessment Notification, 2006; (ii) 'Consent for Establishment Order' by Karnataka State Pollution Control Board (KSPCB); and (iii) Consent to Operate Order by Karnataka State Pollution Control Board (KSPCB) under the Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") and the Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") are currently in the name of the Holding Company i.e. JSW Steel Limited.

To expedite the EC approval process, prior to commencing operations, the Company had filed applications for transferring EC along with other clearances from the Holding Company to the Company, which are currently under process with the relevant regulatory authorities. With regards to the EC, the Environmental Appraisal Committee, Industry-1 ("EAC") in its meeting on 15 March, 2024 has recommended to the MoEFCC for granting the transfer subject to fulfilment of certain conditions. However, the final formalities for completing such transfer are currently in process with the relevant authorities.

The Company is confident that considering the Holding Company has the above licenses in its name, it should be able to obtain formal transfer of all clearances / licenses in its name. Basis the legal opinion obtained, Company is of the view that no significant implications are expected on the Company and accordingly, no provision has been made in the financial statements for any liability that may arise in respect of this matter.

2. Statement of compliance

The Company has prepared these financial statements in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the 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 and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to the financial statements. 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").

These financial statements are approved for issue by the Board of Directors on 16 May, 2024.

3. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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.

The financial statements are presented in Indian Rupees ('INR'), and all values are rounded to nearest lakhs except when otherwise indicated.

Current and non-current classifications

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

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

It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.

It is held primarily for the purpose of being traded;

it is expected to be realized within 12 months after the reporting date; or

it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;

- it is held primarily for the purpose of being traded;

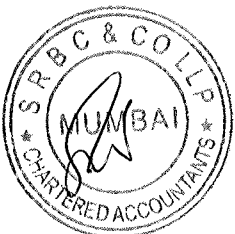
- it is due to be settled within 12 months after the reporting date; or

- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.



4. Summary of material accounting policies

I. Revenue from contract with customers

A. Sale of Goods

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

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

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

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

i) Contract assets

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

ii) Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables is derecognised when the Company transfers substantially all the risks and rewards of ownership of the asset to another party including discounting of bills on a non-recourse basis.

iii) Contract liabilities

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

iv) Refund liabilities

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

B. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits 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 asset to that asset's net carrying amount on initial recognition.

II. Property Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under Capital work in progress. 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 and depreciation commences. 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 year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the erection of plant or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation.

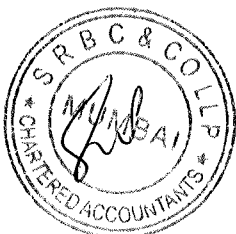
Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, 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, 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, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of assets	Years
Buildings	30 years
Plant and equipment	7 to 30 years
Work Rolls (shown under Plant and equipment)	1 to 3 years

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

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 the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.



III. Inventories

Inventories are stated at the lower of cost and net realisable value

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

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

IV. Impairment of Non-Financial assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible assets 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.

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.

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.

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

V. 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 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows:

Class of assets	Years
Leasehold land	30 Years

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. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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 (i.e., below Rs. 5,00,000). 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.



VI. Borrowing costs

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 or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in the year 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 year 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.

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

VII. Government Grants

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. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

VIII. Foreign Currencies

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

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

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

IX. Employee Benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement 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 year. 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 Balance sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of profit and loss. Past service cost is recognised in Statement of profit and loss in the year of a plan amendment or when the company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised 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 Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet 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.

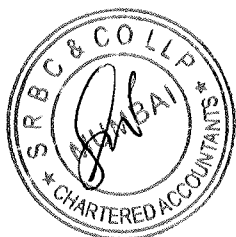
A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



X. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

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.

A. Financial assets

a) Initial Recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. 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 recognised in the Other Comprehensive Income (OCI). However, the Company recognises 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 other financial assets are classified as measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and 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 dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised 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.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by the 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.

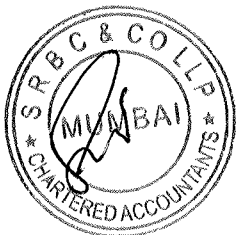
b) Equity instruments

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.

c) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.



JSW Vijayanagar Metallics Limited

Notes to the financial statements for the year ended March 31, 2024 (all amounts in ₹ lakhs, unless otherwise stated)

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 Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

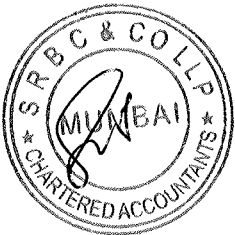
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Other financial liabilities

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 property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as borrowings. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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 the Statement of Profit and Loss.



C. Derivative Instruments and Hedge Accounting

Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Company designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is be removed from OCI and recognised in P&L, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects P&L if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

Fair value measurement:

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

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

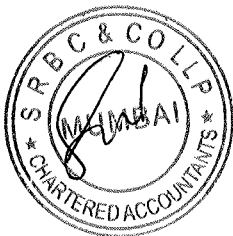
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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



JSW Vijayanagar Metalics Limited

Notes to the financial statements for the year ended March 31, 2024 (all amounts in ₹ lakhs, unless otherwise stated)

XI. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

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).

Contingencies

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

XIII. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XIV. Cash and Cash equivalents

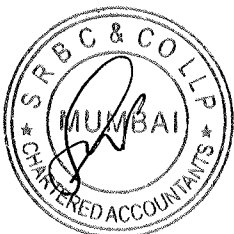
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist 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.

XV. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

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



JSW Vijayanagar Metallica Limited

Notes to the financial statements for the year ended March 31, 2024 (all amounts in ₹ lakhs, unless otherwise stated)

New and amended standards

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

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

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

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

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

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

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

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

5. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 4 above, the Company is required to make judgements, 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.

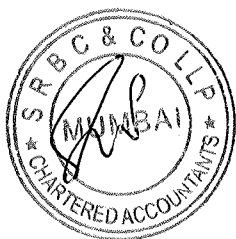
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Defined Benefits Plans:

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in note 37.



6. Property, plant and equipment

	Land	Buildings	Plant & Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
₹ in lakhs							
Cost							
As at 31 March, 2022	-	81	466	38	44	10	639
Additions	-	168	24	487	133	-	812
Deductions	-	-	-	-	-	-	-
As at 31 March, 2023	-	249	490	525	177	10	1,451
Additions	809	47922	1,96,067	636	328	-	2,45,762
Deductions	-	-	-	-	-	-	-
As at 31 March, 2024	809	48,171	1,96,557	1,161	505	10	2,47,213
Accumulated depreciation							
As at 31 March, 2022	-	10	18	1	5	-	34
Depreciation charge for the year	-	46	35	10	29	2	122
Deductions	-	-	-	-	-	-	-
As at 31 March, 2023	-	56	53	11	34	2	156
Depreciation charge for the year	-	147	445	31	66	1	690
Deductions	-	-	-	-	-	-	-
As at 31 March, 2024	-	203	498	42	100	3	846
Net book value as at 31 March, 2024	809	47,968	1,96,059	1,119	405	7	2,46,367
Net book value as at 31 March, 2023	-	193	437	514	143	8	1,295

The Company is setting up a 5 MTPA Steel manufacturing facility at Vijayanagar in the state of Karnataka which includes Blast Furnace (BF), Steel Melting Shop (SMS), Hot Strip Mill (HSM) (including Plate Mill) and other auxiliary units (together 'the facility'). The Company has capitalized cranes, railway tracks and certain other equipment which were ready to use in January, 2024 which have been put to use as well and has started the commissioning of the reheating furnaces as well as roughing mills of the Hot Strip Mill facility relating to steel plate manufacture from 17 March, 2024 and reached desired level of output and capacity utilization by 29 March, 2024. Accordingly, the Company has capitalized the HSM facility relating to reheating furnace and roughing mill to produce steel plates amounting to Rs 1,68,666 lakhs along with auxiliary assets like electrical and logistical equipment, energy related equipment, etc amounting to Rs 78,550 lakhs.

7. Capital work in progress

	₹ in lakhs
As at 31 March, 2022	1,11,078
Additions	6,90,315
Capitalized during the year	(812)
As at 31 March, 2023	8,00,581
Additions	7,67,291
Capitalized during the year	(2,45,762)
As at 31 March, 2024	13,22,110

Ageing schedule

As at 31 March, 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10,79,021	1,99,503	43,069	517	13,22,110
Projects temporarily suspended	-	-	-	-	-

For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

As at 31 March, 2024	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
5MTPA Project at Vijayanagar Works	13,22,110	-	-	-	13,22,110

Ageing schedule

As at 31 March, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,89,503	1,10,034	1,026	18	8,00,581
Projects temporarily suspended	-	-	-	-	-

Capital work in progress includes exchange fluctuation (regarded as an adjustment to borrowing costs) of Rs. 4,499 lakhs (31 March 2023: Rs. 2,537 lakhs) and borrowing cost (net of interest income) of Rs.27,943 lakhs (31 March 2023: 3,905 Lakhs) capitalised during the year. Further it includes an expense of Rs. 442 lakhs (31 March 2023: Rs. 255 lakhs) towards share based payments charge received from the holding company.

Capital work in progress activities related to projects are being carried out by the Company on land for which lease deed is yet to be executed with JSW Steel Limited (the "Holding Company"). The Company has entered into Memorandum of Understanding ("MOU") with the Holding Company for utilisation of the said land for the purpose of the Company's projects.



8. Right of Use Assets & Lease liability

	₹ in lakhs
As at 31 March, 2022	Land
	3,374
Additions	9
Depreciation expense	(117)
As at 31 March, 2023	3,266
Additions	5,995
Depreciation expense	(190)
As at 31 March, 2024	9,071

Lease liabilities

	₹ in lakhs
As at 31 March, 2022	Land
	3,490
Additions	9
Interest accrued	6
Payment of lease liabilities	(3,443)
As at 31 March, 2023	61
Additions	5,995
Interest accrued	4
Payment of lease liabilities	(5)
As at 31 March, 2024	6,055

Breakup of lease liabilities

	Non Current		Current	
	As at	As at	As at	As at
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
Lease liabilities	82	60	5,973	1
	82	60	5,973	1

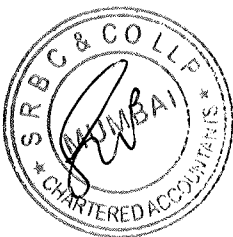
The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2024 on an undiscounted basis:

	₹ in lakhs	
	As at	As at
	31 March, 2024	31 March, 2023
Less than 1 year	6,615	6
1-5 years	33	24
More than 5 years	183	139
	6,831	169

The effective interest rate for lease liabilities is 9% with maturity period of 2050-51.

Title deeds of immovable properties not held in the name of the Company

Relevant line item in the balance sheet	Description of the item	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter/ holding	Property held since which date	Reason for not being held in the name of the Company
Right of use assets	Leasehold land	6,877	Government of Karnataka	No	April 2021	Lease deed between JSW Steel Limited (Lessor) & Government of Karnataka has expired. Approval for proposal of JSW Steel Limited for execution of absolute sale deed is pending with Cabinet (State Government)
Right of use assets	Leasehold land	2,617	Government of Karnataka	No	December 2023	Lease deed between JSW Steel Limited (Lessor) & Government of Karnataka has expired. Approval for proposal of JSW Steel Limited for execution of absolute sale deed is pending with Cabinet (State Government)



JSW Vijayanagar Metalics Limited
Notes to the financial statements for the year ended 31 March, 2024

9. Other financial & non-current assets

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Lease security deposit	368	338
Other deposit	2	2
	370	340

10. Other non-current assets
(Unsecured, considered good)

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Capital advances	10,815	19,431
Upfront fees	4,480	750
Indirect tax balances	1,90,357	87,227
Recoverable government authorities	553	553
	2,06,205	1,07,961

11. Cash & Cash equivalents

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Balances with bank		
In current accounts	1,173	52
In deposits with less than 3 months	1,39,048	7,897
Cash on hand	-	1
	1,40,221	7,950

Bank balances other than cash and cash equivalents

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Balances with bank		
In margin money	2,038	-
	2,038	-

Changes in liabilities arising from financing activities

	01 April, 2023	Cash flow (net)	Foreign exchange (gain)/loss	New leases	Others	31 March, 2024
Borrowings - Non-current	1,64,010	4,00,698	3,531	-	325	5,68,564
Borrowings - Current	1,88,464	(60,174)	(1,340)	-	-	1,26,950
Lease liabilities	61	(1)	-	5,995	-	6,055

	01 April, 2022	Cash flow (net)	Foreign exchange (gain)/loss	New leases	Others	31 March, 2023
Borrowings - Non-current	213	1,64,319	(522)	-	-	1,64,010
Borrowings - Current	4,912	1,77,686	5,866	-	-	1,88,464
Lease liabilities	3,490	(3,429)	-	-	-	61

The changes in liabilities arising from financing activities is on account of cash flow changes only, except for lease liabilities.

12. Inventories

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Raw materials (at net realisable value)	1,978	-
Semi-finished/ finished goods (at net realisable value)	2,127	-
Production consumables and stores and spares (at cost)	499	-
Total	4,604	-

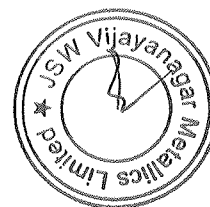
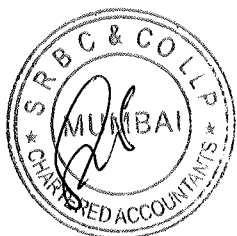
Value of inventories above is stated after write down to net realisable value of ₹ 417 lakhs (31 March, 2023 – ₹ Nil). These were recognised as an expense and included in other expenses - ₹ 220 lakhs and changes in inventories of finished goods, work-in-progress and stock-in-trade- ₹ 197 lakhs .

13. Trade receivables

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Trade Receivables considered good – Unsecured	263	-
Total	263	-

Ageing as at 31 March 2024:

	₹ in lakhs						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	263	-	-	-	-	-	263
Total	263	-	-	-	-	-	263



JSW Vijayanagar Metallica Limited
Notes to the financial statements for the year ended 31 March, 2024

Ageing as at 31 March 2023:

	Outstanding for following periods from due date of payment						₹ in lakhs
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

14. Derivative Assets

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Currency Option	38	-
	38	-

15. Other current assets

(Unsecured, considered good)

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Advance to Supplier	2,989	-
Prepaid expense	172	442
Other receivable	914	169
	4,075	611

16. Equity Share Capital

	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
I. Authorised:				
Equity shares of Rs. 10 each	15,00,00,00,000	15,00,000	7,50,00,00,000	7,50,000
II. Issued, Subscribed and fully paid				
Equity shares of Rs. 10 each	9,97,01,46,000	9,97,015	4,23,52,11,000	4,23,521
	9,97,01,46,000	9,97,015	4,23,52,11,000	4,23,521
(a) Reconciliation of number of shares outstanding at the beginning and at the end of the year				
At the beginning of the year	4,23,52,11,000	4,23,521	1,58,09,21,000	1,58,092
Add: Issued during the year	5,73,49,35,000	5,73,494	2,65,42,90,000	2,65,429
Outstanding at the end of the year	9,97,01,46,000	9,97,015	4,23,52,11,000	4,23,521

(b) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding. The dividend proposed by the board of directors is subject to approval of share holders in the ensuing annual general meeting.

(c) Details of shareholders holding more than 5% shares in the Company:

	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares	% of shares	No. of Shares	% of shares
JSW Steel Limited (the holding company) and its nominees	9,97,01,46,000	100%	4,23,52,11,000	100%

(d) Details of of shares held by the holding company:

	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares	% of shares	No. of Shares	% of shares
JSW Steel Limited (the holding company) and its nominees	9,97,01,46,000	100%	4,23,52,11,000	100%

(e) Details of the shares held by promoters:

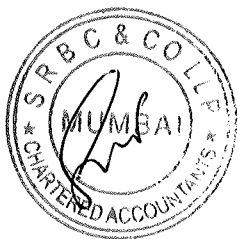
Promoters Name	As at 31 March, 2024		As at 31 March, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Steel Limited (the holding company) and its nominees	9,97,01,46,000	100%	4,23,52,11,000	100%	135%
	9,97,01,46,000	100%	4,23,52,11,000	100%	135%

17. Other equity

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Retained earnings	(6,669)	(5,456)
Other Comprehensive Income		
Effective portion of cash flow hedges	1	-
	(6,668)	(5,456)

Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policy.



JSW Vijayanagar Metalics Limited
Notes to the financial statements for the year ended 31 March, 2024
18. Borrowings

₹ in lakhs

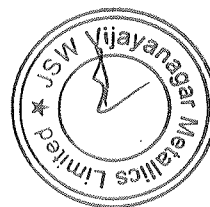
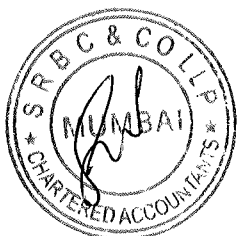
	As at 31 March, 2024	As at 31 March, 2023
Non Current (Unsecured)		
Term Loan		
From Banks		
Foreign Currency Term Loan		
Non-Current	4,50,582	1,64,434
Current	849	-
From Other Parties		
Rupee Term Loan		
Related Party	1,27,624	-
Others	-	-
Acceptances for capital projects		
Non-Current	-	1,229
Current	2,501	23,494
	5,81,556	1,89,157
Less: Unamortised upfront fee on borrowings	(9,642)	(1,653)
Less: Amount clubbed under current borrowings	(3,350)	(23,494)
	5,68,564	1,64,010
Current (Unsecured)		
Acceptances for capital projects	1,23,660	1,64,971
Current Maturities of :		
Foreign Currency Term Loan	849	-
Long term acceptances for capital projects	2,501	23,494
	1,27,010	1,88,465
Less: Unamortised upfront fee on borrowings	(60)	-
	1,26,950	1,88,465

	Weighted Average Interest Cost	As at 31 March, 2024		As at 31 March, 2023		Terms of Repayment
		Non Current	Current	Non Current	Current	
Foreign Currency Term Loan						
Export Credit Agency EUR 74 Million and USD 47 Million (Unsecured)	5.10%	75,399	849	-	-	1 instalment of Rs. 849 Lakhs on 31-12-2024 19 equal Semi-Annual Statement of Rs. 3,812 Lakhs From 30.06.2025 to 30-06-2034 Last instalment of Rs. 2,963 Lakhs on 31-12-2034
External Commercial Borrowing USD 200 Million (Unsecured)	7.57%	1,66,748	-	1,64,434	-	Full Repayment will be on 20.12.2027
External Commercial Borrowing USD 250 Million (Unsecured)	7.64%	2,08,435	-	-	-	Full Repayment will be on 28.02.2029
Rupee Term Loan						
Inter Corporate Loan from JSW Steel Limited, the holding company (Unsecured)	9.15%	1,27,624	-	-	-	Full Repayment will be on 02.01.2027
Acceptances for capital projects						
Capex Acceptance (Unsecured)		-	1,26,161	1,229	1,88,465	Repayment of 168 Cases in F.Y 2024-25 due on various dates.
Less: Unamortised upfront fee on borrowings		(9,642)	(60)	(1,653)	-	
		5,68,564	1,26,950	1,64,010	1,88,465	

19. Provision

₹ in lakhs

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Provision for employee benefits		
Gratuity (Refer note 37)	1,260	496
Compensated absences	17	67
	1,277	563
Current		
Provision for employee benefits		
Gratuity (Refer note 37)	240	109
Compensated absences	192	11
	432	120



20. Other financial liabilities (Non-current, At amortised cost)

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Retention money - capital projects	84,920	30,818
	84,920	30,818

21. Trade payables

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,093	212
	1,093	212

Payables are normally settled within 180 days

Ageing schedule

As at 31 March, 2024

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) MSME	-	-	-	-	-	-	-
b) Others	189	904	-	-	-	-	1,093
c) Disputed dues - MSME	-	-	-	-	-	-	-
d) Disputed dues - others	-	-	-	-	-	-	-

Ageing schedule

As at 31 March, 2023

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) MSME	-	-	-	-	-	-	-
b) Others	160	52	-	-	-	-	212
c) Disputed dues - MSME	-	-	-	-	-	-	-
d) Disputed dues - others	-	-	-	-	-	-	-

22. Other financial liabilities (Current)

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Payables for capital creditors (Refer note below)	1,12,078	97,209
Interest accrued but not due on borrowings	9,845	4,922
Payables to employees	697	15
Other Liabilities	101	-
	1,22,721	1,02,146

Disclosure pertaining to micro, small and medium enterprises

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Principal amount outstanding as at end of the year (Refer note below)	22,926	6,331
Principal amount overdue more than 45 days	224	579
Interest due and unpaid as at end of year	15	4
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	4,665	733
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

Note: Includes vendors classified as part of other financial liabilities in note 22 relating to payable for capital creditors amounting to Rs. 22,926 as at 31 March, 2024 (Rs. 6,331 as at 31 March, 2023)



JSW Vijayanagar Metallics Limited
Notes to the financial statements for the year ended 31 March, 2024

23. Other current liabilities

	₹ in lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Advance from Customer	421	-
Statutory Liabilities	2,069	1,033
Export obligation deferred income	30,737	16,346
Other Liabilities	3	2
	33,230	17,381

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfilment of export obligation.

24. Revenue From operation

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Sale of products		
Domestic turnover	243	-
Export turnover	-	-
Less:- Transferred to capital work in progress (Refer note below)	(195)	-
	A	-
Other operating revenues		
Miscellaneous income	-	-
	B	-
Total Revenue From Operations	A+B	-
	48	-

Note: It pertains to revenue generated from trial production between March 17, 2024, and March 28, 2024. Income and expenses of the trial run production has been included in the carrying amount of the Property, Plant, and Equipment (PPE) in accordance with the Ind AS-16.

25. Other income

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest on fixed deposit	132	1
Exchange differences (net)	555	-
	687	1

26. Cost of Material Consumed

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cost of Raw Material Consumed	3,616	-
Cost of Finished Goods Consumed	-	-
Less:- Transferred to capital work in progress (refer note below)	(1,519)	-
	2,097	-

Note: It pertains to cost incurred for trial production between March 17, 2024, and March 28, 2024. Income and expenses of the trial run production has been included in the carrying amount of the Property, Plant, and Equipment (PPE) in accordance with the Ind AS-16.

27. Changes in inventories of finished and semi-finished goods, work-in-progress and stock in trade

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening stock :		
Semi finished /finished goods	-	-
Work-in-progress	-	-
	A	-
Closing stock :		
Semi finished /finished goods	2,127	-
Work-in-progress	-	-
	B	-
	(A-B)	-
	(2,127)	-



JSW Vijayanagar Metalics Limited
Notes to the financial statements for the year ended 31 March, 2024

28. Employee Benefit Expenses

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries and wages	4,310	2,441
Contribution to provident and other funds	157	97
Expenses on employees stock ownership plan	442	255
	4,909	2,793
Less:- Transferred to capital work in progress (refer note below)	4,904	2,793
	5	-

Note: It includes expenses incurred during trial production between March 17, 2024, and March 28, 2024. Income and expenses of the trial run production has been included in the carrying amount of the Property, Plant, and Equipment (PPE) in accordance with the Ind AS-16.

29. Finance Cost

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Borrowing Cost	325	-
	325	-

30. Depreciation and amortisation expenses

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on property, plant and equipment	690	122
Depreciation on Right to use assets	190	117
	880	239
Less:- Transferred to capital work in progress	(473)	(152)
	407	87

31. Other expenses

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Provision for Impairment of Inventory	220	-
Power & Fuel	223	-
Subcontracting Cost	33	-
Rates and Taxes	22	5
Audit fees (Refer note below)	101	58
Professional fees	563	390
Exchange differences (net)	-	4,081
Miscellaneous Expenses	50	4
	1,212	4,538

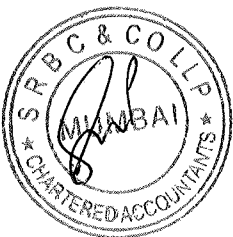
Note

Auditors remuneration (excluding tax)

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Statutory audit fees	100	57
Out of Pocket expenses	1	1
	101	58

32. Earnings per share

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net profit For the year attributable to equity shareholders (A)	Rs. In Lakhs	(1,184)	(5,026)
Weighted average number of equity shares for the purpose of calculating basic and diluted earnings per share (B)	Nos.	7,39,71,13,322	2,99,01,24,342
Earnings per share - basic and diluted (face value of Rs. 10/- each) (A/B)	Rs.	(0.02)	(0.17)



33. Commitments & contingencies

	₹ in lakhs	
	As at 31 March, 2024	As at March 31, 2023
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,91,212	5,41,692
	2,91,212	5,41,692
Other Commitments		
The Group 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. Such export obligations at year end aggregate to		
	As at 31 March, 2024	As at March 31, 2023
Export promotion capital goods scheme	6,02,842	3,25,959
	6,02,842	3,25,959
Contingencies		
	As at 31 March, 2024	As at March 31, 2023
Contingent liabilities	-	-
	-	-

34. Segment Reporting

The Company is in the process of commissioning a steel plant in the state of Karnataka. This is single project and treated as one segment by management for performance evaluation/resource allocation. Since the Company is yet to commence operations no revenue has been earned at this stage. Hence other requirements of IND AS 108 are not applicable.

35. Related Party Disclosures

List of related parties

A. Related party where control exists

- Holding Company**
JSW Steel Limited

B. Other related parties with whom transactions have taken place

1. Fellow Subsidiary

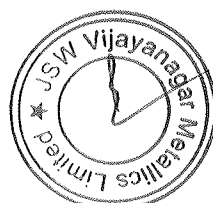
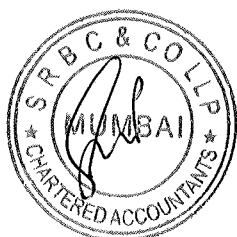
- JSW Steel Coated Products Limited

2. Other related parties (Includes entities controlled by / under significant influence of Promoter Group / Relatives of Promoter Group and entities in which Directors/ relatives of directors have significant influence / control)

- JSW Cement Limited
- JSW Green Cement Private Limited
- Jindal Saw Limited
- Jindal Steel & Power Limited
- Jindal Steel Odisha Limited
- Jindal Industries Private Limited
- JSW Paints Private Limited
- JSW Structural Metal Decking Limited
- Jindal Stainless Limited
- Jindal Lifestyle Limited
- JSW Global Business Solutions Limited
- JSW Energy Limited
- Neotrex Steel Limited
- Khaitan & Company
- JSW Severfield Structures Limited

3. Key Management Personnel

- Chandrasekaran Prabhakaran - Director
- Amit Agarwal - Director & CFO (w.e.f 02 March, 2022)
- Rajashekhhar Pattanasetty - Director & CEO (upto 01 April, 2024)
- Lokendra Raj Singh - Director & CEO (w.e.f 01 April, 2024)
- Anuradha Bajpai - Independent Non Executive Director (w.e.f 31 March, 2022)
- Sanjay Garodia - Company Secretary (upto 30 April, 2023)
- Ruchika Shah - Company Secretary (w.e.f 15 May, 2023)



JSW Vijayanagar Metallica Limited
Notes to the financial statements for the year ended 31 March, 2024

B. Transactions with related parties

₹ in lakhs

	Nature of Relationship					
	Holding Company		Fellow Subsidiary		Others	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Investments in Equity shares						
JSW Steel Limited	5,73,494	2,65,429	-	-	-	-
Purchase of goods/power&fuel/services						
JSW Steel Limited	48,843	63,864	-	-	-	-
JSW Cement Limited	-	-	-	-	9,501	15,879
JSW Green Cement Private Limited	-	-	-	-	119	-
Jindal Saw Limited	-	-	-	-	6,769	3,353
Jindal Steel & Power Limited	-	-	-	-	14,120	27,133
Jindal Steel Odisha limited	-	-	-	-	4,349	-
JSW Severfield Structures Limited	-	-	-	-	47,188	46,355
Jindal Industries Private Limited	-	-	-	-	729	50
JSW Global Business Solutions Limited	-	-	-	-	237	185
Jindal Stainless Limited	-	-	-	-	7	142
Jindal Lifestyle Limited	-	-	-	-	253	-
JSW Structural Metal Decking Limited	-	-	-	-	543	-
JSW Energy Limited	-	-	-	-	101	-
JSW Paints Private Limited	-	-	-	-	1,511	-
Khaitan & Company	-	-	-	-	17	5
Neotrex Steel Limited	-	-	-	-	45	-
JSW Steel Coated Products Limited	-	-	531	470	-	-
Reimbursement of expenses incurred on our behalf by						
JSW Steel Limited	653	219	-	-	-	-
Recovery of expenses incurred by us on their behalf						
JSW Steel Limited	1,584	201	-	-	-	-
ESOP						
JSW Steel Limited	496	255	-	-	-	-
Sale of goods						
JSW Steel Limited	1,437	795	-	-	-	-
Loan Received						
JSW Steel Limited	1,27,624	-	-	-	-	-
Interest on Loan						
JSW Steel Limited	1,807	-	-	-	-	-
Lease rent						
JSW Steel Limited	11	8	-	-	-	-
Corporate Guarantee Commission						
JSW Steel Limited	690	497	-	-	-	-
Land Deposit						
JSW Steel Limited	-	3,767	-	-	-	-



JSW Vijayanagar Metallics Limited
Notes to the financial statements for the year ended 31 March, 2024

Compensation to key Management Personnel

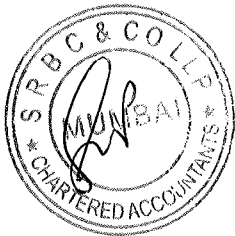
Nature of Transaction	₹ in lakhs	
	2023-24	2022-23
Short term employee benefits	258	339
	258	339

Notes:

- 1) The Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- 2) The Remuneration to the key managerial personnel does not include share based payment charge received from the holding company towards ESOPs granted to KMPs.

C. Balances with related parties

	₹ in lakhs					
	Holding Company		Nature of Relationship		Others	
	31 March, 2024	31 March, 2023	Fellow Subsidiary		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 (Including capex payables)						
JSW Steel Limited	16,244	18,580	-	-	-	-
JSW Cement Limited	-	-	-	-	4,237	2,039
JSW Green Cement Private Limited	-	-	-	-	49	-
JSW Global Business Solutions Limited	-	-	-	-	109	47
Jindal Industries Private Limited	-	-	-	-	68	24
JSW Structural Metal Decking Limited	-	-	-	-	101	-
JSW Paints Private Limited	-	-	-	-	146	-
JSW Steel Coated Products Limited	-	-	305	159	-	-
JSW Energy Limited	-	-	-	-	101	-
Jindal Saw Limited	-	-	-	-	-	524
Jindal Lifestyle Limited	-	-	-	-	115	-
Jindal Steel & Power Limited	-	-	-	-	-	1,315
JSW Severfield Structures Limited	-	-	-	-	8,110	13,196
Capital Advance						
Jindal Steel & Power Limited	-	-	-	-	41	-
Jindal Saw Limited	-	-	-	-	3,732	-
Jindal Stainless Limited	-	-	-	-	1	8
Lease Liabilities (Security Deposit)						
JSW Steel Limited	5,972	-	-	-	-	-
Borrowings						
JSW Steel Limited	1,27,624	-	-	-	-	-
Interest accrued but not due						
JSW Steel Limited	1,627	-	-	-	-	-
Other Advances						
Jindal Steel Odisha Limited	-	-	-	-	1,336	-



JSW Vijayanagar Metallics Limited

Notes to the financial statements for the year ended 31 March, 2024

36. Income Tax

Indian Companies are subject to Indian Income Tax. Income tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

The Company was incorporated on 24 December 2019 and it is setting up a 5 MTPA Steel manufacturing facility at Vijayanagar in the state of Karnataka which includes Blast Furnace (BF), Steel Melting Shop (SMS), Hot Strip Mill (HSM) (including plate mill) and other auxiliary units to manufacture steel products across the supply chain. The Company has commissioned the reheating furnaces & roughing mills of the Hot Strip Mill facility relating to steel plate production on 29 March 2024 and started manufacturing steel plates.

During the assessment year 2020-21, the Company had opted for lower tax regime of 17.16% (i.e. 15% plus surcharge and cess) under section 115BAB of the Income Tax Act, 1961, subject to fulfilment of underlying conditions. Based on Management assessment as well as opinions obtained from its tax experts, the Company believes that they are in compliance with these conditions for eligibility under 115BAB of the Income Tax Act, 1961, accordingly, provision for tax liability has been recorded at an effective tax rate of 17.16% under section 115BAB of the Income Tax Act, 1961.

A. Income Tax Expense

₹ in lakhs

	As at 31 March, 2024	As at March 31, 2023
Current tax:		
Current tax	-	402
	-	402
Deferred tax:		
Deferred tax	-	-
Total tax expense	-	402

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:

	As at 31 March, 2024	As at March 31, 2023
Profit before tax	(1,184)	(4,624)
Enacted tax rate in India	17.16%	17.16%
Expected income tax expense at statutory tax rate	(203)	(793)
Income taxable separately	-	402
Expenses not deductible in determining taxable profit	203	793
Tax expense for the year	-	402
Effective income tax rate	0.00%	-8.69%

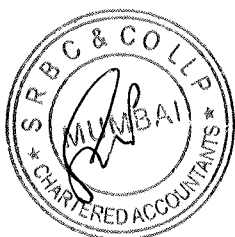
B. Deferred tax liabilities (net)

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

Deferred tax balance in relation to	As at 31 March, 2023	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March, 2024
Property, plant and equipment	-	(3,032)	-	(3,032)
Carried forward business loss/Unabsorbed depreciation (Recognised to the extent of Deferred Tax liabilities)	-	3,032	-	3,032
Total	-	-	-	-

Deferred tax balance in relation to	As at 31 March, 2022	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March, 2023
Property, plant and equipment	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

As at the year ended on March 31, 2024, the Company is having deferred tax assets comprising of deductible temporary differences, under tax laws.



37. Employee Benefits

a) Defined contribution plan

The Company contributes to defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Company's contribution to provident fund recognised as expenditure and charged to capital work in progress is of Rs. 157 lakhs (31 March, 2023: 97 lakhs).

b) Defined benefit plans

The Company has defined benefits gratuity plan. The Gratuity Plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 and 60, without any payment ceiling. The vesting period for gratuity payable under The Payment of Gratuity Act, 1972 is 5 years. The gratuity plan is unfunded.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, other comprehensive income and amounts recognised in the balance sheet

(i) Gratuity

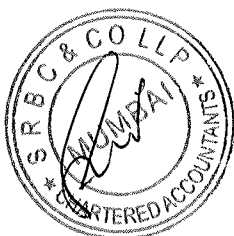
	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	605	521
Current service cost	35	24
Interest cost	45	36
Actuarial loss on obligation	50	8
Benefits paid	(41)	(48)
Liability in	807	64
	1501	605
ii) Fair value of plan assets		
	-	-
	-	-
Amount recognised in balance sheet	1,501	605
(b) Expenses recognised in statement of profit and loss		
Current service cost	35	24
Interest cost	45	36
	80	60
Less: Amount transferred to Capital work in progress	80	60
	-	-
(c) Expense recognised in Other Comprehensive Income		
Actuarial loss on defined benefit obligation	50	8
Less: Amount transferred to Capital work in progress	50	8
	-	-

(d) Principal actuarial assumptions:

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Discount rate	7.19%	7.46%
Expected rate of salary increase	8.80%	8.80%
Attrition rate	7.4%	7.4%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

(e) Experience adjustments

	₹ in lakhs					
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
Defined benefit obligation	1501	605	521	-	-	-
Experience adjustments on plan liabilities - Loss/(gain)	(50)	(8)	(104)	-	-	-



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Notes to the financial statements for the year ended 31 March, 2024

(f) The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March, 2023: 9 years)

(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 (Urban)

(h) 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.

(i) 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:

	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(78)	88	(25)	28
Future salary growth (1% movement)	86	(78)	27	(25)
Attrition rate (1% movement)	(9)	10	(2)	2

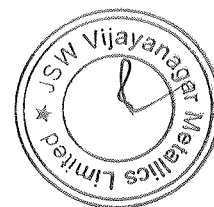
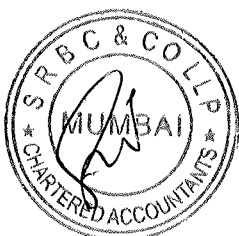
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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 year, 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.

ii) Other long term benefits:

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the company due to death, retirement, superannuation or resignation. Employees are entitled to encash leave while serving the company at the rate of daily salary, as per current accumulation of leave days.



38. Share based payments

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January, 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under ESOP Plan 2016 to eligible employees on the rolls of the company as at 01 April 2016, 01 April 2017, 01 April 2018.

During the earlier year the Company has made supplementary grants under the JSWSL Employee Stock Ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price would be determined by the ESOP committee as a certain discount to the primary market price on the date of grant. These options are equity settled and are accounted for in accordance with requirement applying to equity settled share based transaction.

ESOP Plan 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Employees Stock Ownership Plan ("OPJ ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under OPJ ESOP plan 2021 to eligible present and future employees on the rolls of the Company as at date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the first year, 25% of the grant would vest at the end of the second year and 50% of the grant would vest at the end of the third year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at Rs. 1 per share.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

Samruddhi Plan 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Samruddhi Plan ("OPJ Samruddhi Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

Samruddhi plan is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Single grants would be made under OPJ ESOP plan 2021 to eligible employees on the rolls of the Company as at date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the second year, 25% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at Rs. 1 per share.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The details of the share based payment plan are as follows:

Option Series	Options granted	Grant date	Vesting period from grant date	Exercise price	Fair value at grant date	Method of settlement
Samruddhi 2021-7 August 2021	68,600	07-Aug-21	7th August 2021 till 6th August 2022 (25% of the grant), 7th August 2022 till 6th August 2023 (25% of the grant) and 7th August 2023 till 7th August 2024 (50% of the grant)	1.00	722.67	Equity
Samruddhi 2021-7 August 2023	15,300	07-Aug-23	7th August 2023 till 6th August 2025 (25% of the grant), 7th August 2022 till 6th August 2023 (25% of the grant) and 7th August 2023 till 7th August 2027 (50% of the grant)	1.00	733.24	Equity
ESOP Grant I - 7 August 2021	27,452	07-Aug-21	7th August 2021 till 6th August 2023 (25% of the grant), 7th August 2023 till 6th August 2024 (25% of the grant) and 7th August 2024 till 7th August 2025 (50% of the grant)	1.00	716.46	Equity
ESOP Grant I - 7 August 2022	31,500	07-Aug-22	7th August 2022 till 6th August 2023 (25% of the grant), 7th August 2023 till 6th August 2024 (25% of the grant) and 7th August 2024 till 7th August 2025 (50% of the grant)	1.00	575.74	Equity
ESOP Grant I - 7 August 2023	34,525	07-Aug-23	7th August 2023 till 6th August 2023 (25% of the grant), 7th August 2023 till 6th August 2024 (25% of the grant) and 7th August 2024 till 7th August 2025 (50% of the grant)	1.00	739.22	Equity

Expected lives of options

The expected option life is assumed to be mid way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2

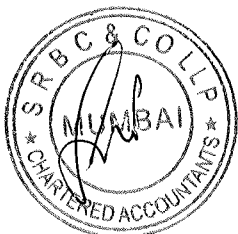
Risk-free interest rates

Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option.

Summarized information about stock options outstanding as at 31 March, 2024 is as follows:

	As at 31 March 2024		As at 31 March 2023	
	OPJ Samruddhi Plan 2021	OPJ ESOP Plan 2021	OPJ Samruddhi Plan 2021	OPJ ESOP Plan 2021
Opening balance	65,000	59,484	68,600	58,952
Transfer from JSW Steel/Others	1,24,050	62,650	4,700	9,834
Exercised during the year	36,773	19,819	-	9,302
Forfeited during the year	612	1,381	8,300	-
Closing balance	1,51,665	1,00,934	65,000	59,484

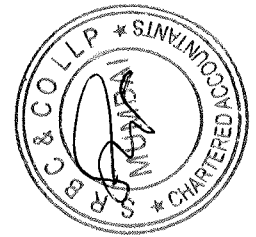
Exercise Period is 4 years from the date of vesting and Weighted average remaining contract life is 4 years from the date of vesting.



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Notes to the financial statements for the year ended 31 March, 2024

39. Ratios

Sr. No.	Ratios	Numerator	Denominator	F.Y 2023-24	F.Y 2022-23	% Change	Reason for change
1	Current ratio	Current assets	Current liabilities	0.52	0.03	1777%	Ratio increased due to a rise in cash and cash equivalents from borrowings drawn shortly before year-end.
2	Debt-Equity ratio	Borrowings	Total equity	0.70	0.84	-17%	
3	Debt service coverage ratio	Earnings for debt service = Net Profit before tax+Non-cash operating expenses (depreciation and amortisation)+ Finance Cost + other adjustments like on sale of property, plant and equipment	Debt service = Interest payable & Lease Payments + Principal Repayments of long term borrowings	(0.03)	-	100%	Operations started in current year
4	Return on Equity ratio	Net profit after taxes	Average total equity	0%	-2%	-93%	Decrease in total equity on account of additional equity infusion during the current year.
5	Inventory turnover ratio (no. of days)	Cost of goods sold	Average inventory	35.83	-	100%	Production started in current year
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	1.84	-	100%	Production started in current year
7	Trade payables turnover ratio	Cost of goods sold and other expenses	Average trade payables	1.81	3.37	-46%	Decrease due to purchase of raw material started from current year.
8	Net capital turnover ratio	Revenue from operations	Working capital = Current assets - Current liabilities	(0.00)	-	100%	Production started in current year
9	Net profit ratio	Net profit after taxes	Revenue from operations	(24.66)	-	100%	Production started in current year
10	Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net worth + Total long term borrowings + Deferred Tax Liability	(0.00)	(0.01)	-94%	Increase in long term borrowings during the year on account of ECB loan & increase in acceptances.



JSW Vijayanagar Metallics Limited
Notes to the financial statements for the year ended 31 March, 2024

40. Financial instruments

A. Capital Risk Management

The Company's capital requirement is mainly towards its ongoing project and currently company's capital structure comprises of both equity and debt.

B. Categories of financial instruments

The accounting classification of each category of financial instruments and their carrying amounts are presented below:

As at 31 March, 2024						₹ lakhs
	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total Carrying Value	Fair value
Financial assets						
Cash and cash equivalents	1,40,221	-	-	-	1,40,221	1,40,221
Bank balances other than above	2,038	-	-	-	2,038	2,038
Trade receivables	263	-	-	-	263	263
Derivative assets	-	-	-	38	38	38
Other financial assets	370	-	-	-	370	370
Total financial assets	1,42,892	-	-	38	1,42,930	1,42,930
Financial liabilities						
Trade payables	1,093	-	-	-	1,093	1,093
Borrowings	6,95,514	-	-	-	6,95,514	6,95,514
Lease liabilities	6,055	-	-	-	6,055	6,055
Other financial liabilities	2,07,641	-	-	-	2,07,641	2,07,641
Total financial liabilities	9,10,303	-	-	-	9,10,303	9,10,303

As at 31 March 2023

	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total Carrying Value	Fair value
Financial assets						
Cash and cash equivalents	7,950	-	-	-	7,950	7,950
Other financial assets	340	-	-	-	340	340
Total financial assets	8,290	-	-	-	8,290	8,290
Financial liabilities						
Trade payables	212	-	-	-	212	212
Borrowings	3,52,475	-	-	-	3,52,475	3,52,475
Lease liabilities	61	-	-	-	61	61
Other financial liabilities	1,32,964	-	-	-	1,32,964	1,32,964
Total financial liabilities	4,85,712	-	-	-	4,85,712	4,85,712

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

C. Fair value hierarchy

All financial assets (except derivative assets) and all financial liabilities have been classified at amortised cost in the financial statements. Derivative asset is classified as Level 2 i.e. Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The fair value of these assets is marked to an active market or based on observable market data, accordingly, any material volatility is not expected.

The Asset and Liability position of various outstanding derivative financial instruments is given below:

	31 March 2024			31 March 2023		
	Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedge (Designated & Effective)						
Options contract*	38	-	38	-	-	-

* The options contract entered for hedging exchange rate risk for long-term foreign currency borrowings.

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

	31 March 2024		31 March 2023	
	USD Mio	Fair Value (in ₹ lakhs)	USD Mio	Fair Value (in ₹ lakhs)
Long term borrowings	100	83,374	-	-



41. Financial risk management

The Board of Directors of the Company oversees the management of financial risk. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk mitigation policies aims to mitigate the credit risk, market risk, and liquidity risk arising from the financial instruments

i. Credit risk

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

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 does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

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 carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 142,259 lakhs as at 31 March 2024 and Rs. 7,950 lakhs as at 31 March 2023 being the carrying value of cash and cash equivalents including other bank balances. The Company attempts to limit the credit risk by dealing with reputed banks and financial institutions.

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

ii. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

Liquidity exposure as at 31 March , 2024				₹ lakhs
	< 1 year	1-5 year	>5 year	Total
Financial liabilities				
Trade payables	1,093	-	-	1,093
Borrowings	1,27,010	5,33,307	44,899	7,05,216
Lease liabilities	6,615	33	183	6,831
Other financial liabilities	1,22,721	84,920	-	2,07,641
Total financial liabilities	2,57,439	6,18,260	45,082	9,20,781
Liquidity exposure as at 31 March, 2023				₹ lakhs
	< 1 year	1-5 year	>5 year	Total
Financial liabilities				
Trade payables	212	-	-	212
Borrowings	1,88,465	1,64,010	-	3,52,475
Lease liabilities	6	24	139	169
Other financial liabilities	1,02,146	30,818	-	1,32,964
Total financial liabilities	2,90,829	1,94,852	139	4,85,820

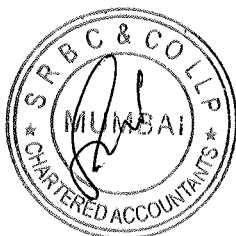
iii. Market Risk

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 and interest rates.

Foreign currency risk

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 capital assets.

Considering the Company is in the initial stage of the project and limited foreign currency exposure, the Company has not taken any hedge instrument to mitigate the foreign currency risk.



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Notes to the financial statements for the year ended 31 March, 2024

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

As at 31 March, 2024	USD	EUR	GBP	JPY	INR	₹ lakhs
Financial assets						
Cash and cash equivalents	-	-	-	-	1,40,221	1,40,221
Bank balances other than above	-	-	-	-	2,038	2,038
Trade receivables	-	-	-	-	263	263
Derivative assets	-	-	-	-	38	38
Other financial assets	-	-	-	-	370	370
Total financial assets	-	-	-	-	1,42,930	1,42,930
Financial liabilities						
Trade payables	-	-	-	-	1,093	1,093
Borrowings	4,09,345	1,44,437	1,095	12,412	1,28,225	6,95,514
Lease liabilities	-	-	-	-	6,055	6,055
Other financial liabilities	15,354	23,764	184	2,494	1,65,845	2,07,641
Total financial liabilities	4,24,699	1,68,201	1,279	14,906	3,01,218	9,10,303

As at 31 March, 2023	USD	EUR	GBP	JPY	INR	₹ lakhs
Financial assets						
Cash and cash equivalents	-	-	-	-	7,950	7,950
Other financial assets	-	-	-	-	340	340
Total financial assets	-	-	-	-	8,290	8,290
Financial liabilities						
Trade payables	-	-	-	-	212	212
Borrowings	2,13,101	1,21,770	-	16,675	928	3,52,475
Lease liabilities	-	-	-	-	169	169
Other financial liabilities	6,106	8,935	-	459	1,17,464	1,32,964
Total financial liabilities	2,19,207	1,30,705	-	17,134	1,18,773	4,85,820

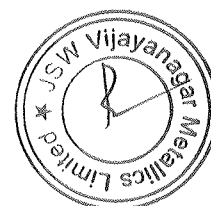
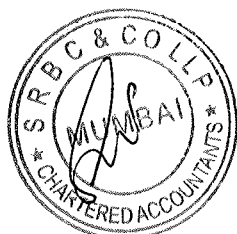
The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk represents management's assessment of the reasonably possible change in foreign exchange rates. 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.

Impact on Profit / (loss) for the year for a 1% change:

	Weakening of INR		Strengthening of INR		₹ lakhs
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	
EUR/INR	(1,682)	(1,307)	1,682	1,307	
USD/INR	(4,247)	(2,192)	4,247	2,192	
GBP/INR	(13)	-	13	-	
JPY/INR	(149)	(171)	149	171	

Interest rate risk

Interest rate risk is the risk that the 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 both fixed and 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 denominated in Rupees, Euro, US dollars, Pound Sterling and Yen with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.



JSW Vijayanagar Metallica Limited
Notes to the financial statements for the year ended 31 March, 2024

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	₹ lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Fixed rate borrowings	1,28,225	928
Floating rate borrowings	5,67,289	3,51,546
Total borrowings	6,95,514	3,52,475

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were being constant, the Company's profit for the year ended 31 March 2024 would decrease/increase by Rs. 5673 lakhs (for the year ended 31 March 2023: decrease/increase by 3515 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

42. Social security code

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.

43. Note on audit trail

The Company has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. However, the audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. The Company as per its policy has not granted privilege access for change to data in the underlying database as evident from the manual log being maintained in this regard and further privilege access rights to application are restricted only to specific authorised users for which audit trail exists except in certain debugging cases.

The Company in the month of March 2024 has also implemented Privileged Access Management tool (PAM), onboarded the SAP database servers on the PAM tool and the process of monitoring database is currently under testing phase. The PAM is an identity management tool which focuses on the control, monitoring, and protection of privileged accounts within an organization. The PAM tool saves complete screen video recording sessions of all the admin activities as soon as they authenticate on the PAM console and connect to the target resources (Servers, Network Devices, Applications and Database) which acts as an audit trail feature.

44. Disclosure under 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

	₹ in lakhs	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from contracts with customer - Sale of products	48	-
Other operating revenue	-	-
Total Revenue From Operation	48	-
India	48	-
Outside India	-	-
Total revenue from operations	48	-
Timing of revenue recognition		
At a point in time	48	-
Total revenue from operations	48	-



JSW Vijayanagar Metalics Limited
Notes to the financial statements for the year ended 31 March, 2024
45. Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the entity for holding any Benami property.
- (ii) The company do not have any transactions with Struck off companies.
- (iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The company have not traded or invested in Crypto currency or Virtual currency during the financial year
- (v) The Company have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company have not 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.
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

46. Events after the reporting period

Between 11 April 2024, to 25 April, 2024 and 6 May, 2024 to 15 May, 2024, the Plate Mill facility was shut down to carry out further activities for commissioning of the coiling facility. There is no impact of the same on the reported numbers.

47. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There are no standards that have been issued but not yet effective.

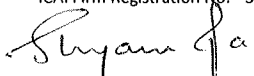
The accompanying notes are integral part of the Ind AS financial statements

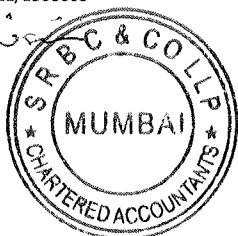
As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. - 324932E/E300003


per **Shyamsundar R Pachisia**
Partner
Membership No. - 049237
Place: Mumbai
Date: 16 May, 2024



For and on behalf of the Board of Directors



Lokendra Raj Singh
Director & Chief Executive Officer
Din:-10573891
Place: Toranagallu
Date: 16 May, 2024



Amit Agarwal
Director & Chief Financial Officer
Din:- 09204911
Place: Toranagallu
Date: 16 May, 2024



Ruchika Shah
Company Secretary
ICSI Membership No:-F9114
Place: Mumbai
Date: 16 May, 2024



Chandrasekaran Prabhakaran
Director
Din:- 03573049
Place: Mumbai
Date: 16 May, 2024

