

INDEPENDENT AUDITOR'S REPORT

To The Members of Mivaan Steels Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mivaan Steels Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total 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") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw your attention to Note 42 to the financial statements in respect of Composite Scheme of Arrangement (the "Scheme") between the Company and JSW Ispat Special Products Limited (now merged with JSW Steel Limited), from the appointed date of 31 March 2022, as approved by National Company Law Tribunal vide its order dated 18 May 2023. Accordingly, the accounting treatment pursuant to the Scheme has been given effect to in accordance with the pooling of interest method as per Appendix C of Ind AS 103 - Business Combinations from the date which is the beginning of the preceding period presented i.e. 01 April 2022 as required under the standard. Accordingly, the figures for the year ended 31 March 2023 have been restated to give effect to the aforesaid merger.

Our opinion is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' 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 the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

Other Matters

The Financial Statements of the Company for the year ended 31 March 2023, prepared in accordance with Ind AS have been audited by the predecessor auditors. The report of the predecessor auditors dated 25 April 2023 expressed an unmodified opinion. Our opinion on the financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 not complying with the requirement of audit trail as stated in (i)(vi) below.



- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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 has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 40 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 40 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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(c) Based on the 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the year ended 31 March 2024 (refer note 39) wherein:
- i) one accounting software has a feature of recording audit trail (edit log) facility and (a) the audit trail feature was not enabled at the application level till 13 November 2023, (b) the audit trail feature was enabled at the application level from 14 November 2023 and operated throughout the remaining period, and (c) audit trail feature was not enabled, throughout the year, at the database level to log any direct data changes, and
- ii) for another software operated by a third party software service provider, for maintaining payroll records, in the absence of an independent auditor's system and organization controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

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(s) for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W | W-100018)



Mehul Parekh
Partner

(Membership No. 121513)
UDIN: 24121513BKEPHJ1289

Place: MUMBAI
Date: 16 May 2024



Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls with reference to financial statements of Mivaan Steels Limited ("the Company") as of 31 March 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 with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) 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 iii) 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, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W | W-100018)



Mehul Parekh
Partner

(Membership No. 121513)
UDIN: 24121513BKEPHJ1289

Place: MUMBAI
Date: 16 May 2024



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work in-progress and right-of-use assets so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of following immovable properties are not held in the name of the Company as at the balance sheet date:

(Rs. in Crores)

Description of Property	As at the 31 March 2024		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of Company
	Gross carrying value	Carrying value in the financial statements				
Freehold Land	3.06	3.06	JSW Ispat Special Products Limited (now merged with JSW Steel Limited)	Yes (Promoter Company)	Various dates as disclosed in the note 4(b) of the financial statements	Immovable properties have been transferred to the Company as per the scheme of arrangement approved during financial year 2023-2024 (refer note 42 of the financial statements). The title deeds of these immovable properties are in the process of being transferred in the name of the Company.
Leasehold Land	0.86	0.86		Yes (Promoter Company)		

- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties, by the Management. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.

(iii) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, and hence reporting under clause (iii)(a) (c) (d) (e) (f) of the Order is not applicable.

(iv) The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of investments made during the year. According to information and explanation given to us, the Company has not granted any loans, or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2024. The disputes pertaining to the periods prior to the NCLT Order approving the Resolution Plan have not been considered for reporting under this clause (refer note 31(b) to the financial statements).



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- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) According to information and explanation provided to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause (x)(b) of the Order is not applicable to the Company. Pursuant to the scheme of arrangement approved by NCLT on 18 May 2023, 0.01% Compulsory convertible Debentures have been allotted to Parent Company during the year, (refer note 42 to the financial statements).
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) 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 and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to 31 March 2024.



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- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does have 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 not incurred cash losses during the financial year covered by our audit. After considering the effect of restatement of previous year financial statements as described in Note 42 to the Financial Statements, the Company did not incurred cash loss in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns, if any, raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- (xxi) The Company does not have any investment in subsidiary, joint venture and associate and hence the Company is not required to prepare consolidated Financial Statements. Therefore, reporting under clause 3(xxi) of the Order is not applicable.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W | W-100018)



Mehul Parekh
Partner

(Membership No. 121513)
UDIN: 24121513BKEPHJ1289

Place: MUMBAI
Date: 16 May 2024



Mivaan Steels Limited (CIN: U27100MH2021PLC371388)
Balance sheet as at 31. March 2024
(Amount in Rupees crores, unless otherwise stated)

Particulars	Notes	As at	
		31 March 2024	31 March 2023 (Refer Note 42)
A. ASSETS			
1. Non-current assets			
a. Property, plant and equipment	4	180.24	187.13
b. Capital work-in-progress	5	10.29	1.00
c. Intangible assets	6	36.81	32.33
d. Financial assets			
i. Investments	7	6.11	-
ii. Other financial assets	8	39.30	20.12
e. Other non-current assets	9	-	0.68
Total non-current assets		272.75	241.26
2. Current assets			
a. Inventories	10	183.81	226.37
b. Financial assets			
i. Trade receivables	11	0.25	5.99
ii. Cash and cash equivalents	12 A	126.42	10.49
iii. Bank balance other than (ii) above	12 B	34.68	27.40
iv. Other financial assets	13	46.78	18.82
c. Other current assets	14	90.63	105.05
Total current assets		482.57	394.13
TOTAL ASSETS		755.32	635.39
B. EQUITY AND LIABILITIES			
Equity			
a. Share capital	15	0.01	0.01
b. Instrument entirely equity in nature	15	443.11	443.11
c. Other equity	16	228.88	94.28
Total equity		672.00	537.40
Liabilities			
1. Non-current liabilities			
a. Financial liabilities			
i. Lease liabilities	17	0.86	0.87
b. Provisions	19	0.53	1.34
c. Deferred tax liabilities (net)	20	8.69	3.80
Total non-current liabilities		10.08	6.01
2. Current liabilities			
a. Financial liabilities			
i. Lease liabilities	17	0.02	0.02
ii. Trade payables	21		
- Total outstanding dues of micro and small enterprises		0.31	0.11
- Total outstanding dues of creditors other than micro and small enterprises		29.74	25.84
iii. Other financial liabilities	18	24.35	17.73
b. Current tax liabilities (net)		1.23	25.31
c. Other current liabilities	22	15.66	19.95
d. Provisions	19	1.93	3.02
Total current liabilities		73.24	91.98
Total liabilities		83.32	97.99
TOTAL EQUITY AND LIABILITIES		755.32	635.39

See accompanying notes to the Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants


Mehul Parekh
Partner

Place : Mumbai
Date : 16 May 2024

AK



For and on behalf of the Board of Directors


Jyoti Vivek Mishra
Director
DIN: 08650330
Place : Raigarh
Date : 16 May 2024


Raj Kumar Patel
Director
DIN: 09670728
Place : Raigarh
Date : 16 May 2024

Mivaan Steels Limited (CIN: U27100MH2021PLC371388)
Statement of profit and loss for the year ended 31 March 2024
(Amount in Rupees crores, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023 (Refer Note 42)
I Income from operations			
a. Sales of products and services	23A	1,346.05	1,355.89
b. Other operating income	23B	28.83	10.97
Total revenue from operations		1,374.88	1,366.86
II Other Income	24	4.77	3.74
III Total Income (I+II)		1,379.65	1,370.60
IV EXPENSES			
a. Cost of materials consumed		821.12	960.68
b. Purchase of traded goods		-	5.83
c. Changes in inventories of finished goods, stock in trade and work-in-progress	25	35.79	(47.83)
d. Employee benefits expense	26	52.56	51.03
e. Finance costs	27	0.98	1.65
f. Depreciation and amortisation expense	28	20.43	14.92
g. Power and fuel		130.39	137.48
h. Other expenses	29	131.52	119.10
Total expenses		1,192.79	1,242.86
V Profit before tax (III-IV)		186.86	127.74
VI Tax expense:	20		
Current tax		(48.19)	(27.61)
Deferred tax		(4.89)	(3.80)
VII Profit for the year (V-VI)		133.78	96.33
VIII Other comprehensive income/(loss) (OCI)			
I. Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit plans		1.08	(1.21)
II. Income tax effect		(0.26)	0.26
Total other comprehensive income/(loss)		0.82	(0.95)
IX Total comprehensive Income for the year (VII+VIII)		134.60	95.38
X Earnings per equity share of Rs. 10/- each	30		
(1) Basic (In Rs.)		3.02	2.17
(2) Diluted (In Rs.)		3.02	2.17

See accompanying notes to the Financial Statements

In terms of our report of even date annexed

For Deloitte Haskins & Sells LLP
Chartered Accountants


Mehul Parekh
Partner



Place : Mumbai
Date: 16 May 2024



For and on behalf of the Board of Directors


Annu Vivek Mishra
Director
D/N: 08650330


Raj Kumar Patel
Director
DIN: 09670728

Place : Raigarh
Date: 16 May 2024

Place : Raigarh
Date: 16 May 2024

Milvaan Steels Limited (CIN: U27100MH2021PLC371388)
Statement of cash flows for the year ended 31 March 2024
(Amount in Rupees crores, unless otherwise stated)

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023 (Refer Note 42)	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net (loss) / profit before tax		186.86		127.74
<i>Adjusted for :</i>				
Depreciation and amortization expenses	20.43		14.92	
Interest income	(4.60)		(0.26)	
Finance cost	0.98		1.65	
Provision for non-moving and slow moving inventory	2.30		6.17	
Provision no longer required written back	-		(3.25)	
Exchange fluctuation (net)	-		0.43	
Allowance for doubtful assets	4.47		-	19.66
Operating Profit before working capital changes		210.44		147.40
<i>Working capital adjustments:</i>				
Decrease/(Increase) in inventories	40.26		(47.77)	
(Increase) in trade and other receivables	(10.59)		(55.75)	
Increase/(Decrease) in trade and other liabilities	0.29		(7.88)	
(Decrease) in provisions	(0.82)	29.13	(1.75)	(113.15)
Cash generated from operating activities		239.57		34.25
Income taxes paid (net)		(72.53)		(2.04)
Net cash generated from operating activities		167.04		32.21
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on purchase of property, plant and equipment (including capital work in progress and intangible assets)	(27.34)		(13.87)	
Proceeds from sale of property, plant and equipment	0.04		1.47	
Investment in fixed deposits	(28.16)		(30.38)	
Interest received	5.31		-	
Net cash (used in) Investing activities		(50.15)		(42.80)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Other borrowing costs paid	(0.93)		(1.61)	
Payment of lease liabilities	(0.03)		(0.02)	
Net cash (used in) financing activities		(0.96)		(1.63)
Net increase/(decrease) in cash and cash equivalents during the year (A+B+C)		115.93		(12.21)
Cash and cash equivalents at the beginning of the year		10.49		22.70
Cash and cash equivalents at the end of the year (note 12 A)		126.42		10.49

Note:

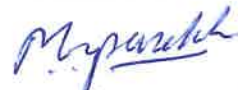
i. The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

ii. Detail of significant non cash transaction :

- Pursuant to the scheme as per note 42, during the year, the Company has issued Compulsorily Convertible Debentures of Rs. 443.11 crores against merger of Specified Undertaking.
- During the year, the Company has acquired Investments in equity shares of Rs. 6.11 crores to be payable in future.

See accompanying notes to the Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants


Mehul Parikh
Partner

Place : Mumbai
Date: 16 May 2024



For and on behalf of the Board of Directors


Jyoti Vivek Mishra
Director

DIN: 08650330
Place : Raigarh
Date: 16 May 2024


Raj Kumar Patel
Director

DIN: 09670728
Place : Raigarh
Date: 16 May 2024

AK

Mivaan Steels Limited (CIN: U27100MH2021PLC371388)
Statement of changes in equity for the year ended 31 March 2024
(Amount in Rupees crores, unless otherwise stated)

A. Share capital for issued, subscribed and paid up shares

Particulars	Equity share capital
As at 1 April 2022 (Refer Note 42)	0.01
Changes during the year	-
As at 31 March 2023	0.01
Changes during the year	-
As at 31 March 2024	0.01

B. Instrument entirely equity in nature (Refer note 15C)

Particulars	Compulsory convertible debentures
As at 1 April 2022 (Refer Note 42)	443.11
Changes during the year	-
As at 31 March 2023	443.11
Changes during the year	-
As at 31 March 2024	443.11

C. Other equity (Refer note 16)

Particulars	Retained earnings
As at 1 April 2022 (Refer Note 42)	(1.14)
Profit for the year	96.37
Other comprehensive loss for the year, net of income tax	(0.95)
As at 31 March 2023	94.28
Profit for the year	133.78
Other comprehensive Income for the year, net of income tax	0.82
As at 31 March 2024	228.88

See accompanying notes to the Financial Statements

In terms of our report of even date annexed

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



Mehul Parekh
Partner

Place : Mumbai
Date: 16 May 2024

AK





Jyoti Vivek Mishra
Director
DIN: 08650330
Place : Raigarh
Date: 16 May 2024



Raj Kumar Patel
Director
DIN: 09670728
Place : Raigarh
Date: 16 May 2024

Mivaan Steels Limited

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

1. Corporate information

Mivaan Steels Limited ("MSL" or the "Company") is a limited company domiciled in India and was incorporated on 12 November 2021. The registered office of the Company is located at JSW Centre Bandra (East), Bandra Kurla Complex, Maharashtra – 400 051, India.

MSL is engaged in manufacturing and marketing of sponge iron, pellets, steel and ferro alloys. MSL is primary steel producer and has an integrated steel plant at Raipur, which is currently operating at a capacity of 300,000 TPA on completion of balance steel making facilities. MSL also has unit of Power generation at Raipur with 60MW capacity. MSL also owns Iron ore mines in Hahaladi with capacity of 150,000 TPA.

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

2. Material accounting policies

i. Basis of preparation and presentation

The Financial Statements of the Company comprises the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information.

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time, read with relevant rules issued thereunder and other accounting principles generally accepted in India. The accounting policies adopted for the preparation of the Financial Statements are consistent with those used for the preparation of financial statements for the year ended 31 March 2022.

The Financial Statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores (as per the requirement of Schedule III), unless otherwise stated.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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



Mivaan Steels Limited
Notes to the Financial Statements for the year ended 31 March 2024

Current and non-current classification

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.

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

II. Revenue Recognition

a. Sale of Goods or Services

The Company recognizes 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.

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 recognized 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 standalone selling prices. Revenue from sale of by products are included in revenue.



Mivaan Steels Limited

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

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

Contract balances

- **Contract assets:**

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

- **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.

- **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.

- **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. Dividend and interest income

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

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.

III. Foreign Currency

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, 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 period 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.

IV. Borrowing Cost

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

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

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

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

V. Employee Benefits

Retirement benefit costs and termination benefits

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

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 statement of financial position 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 profit or loss. Past service cost is recognised in profit or 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 profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

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



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.

VI. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

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. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending on the nature and circumstance of each uncertain tax position.

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 recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and on carried forward depreciation and business losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting 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.

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

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.



Mivaan Steels Limited
Notes to the Financial Statements for the year ended 31 March 2024

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

VII. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates (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 period 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 construction account. 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 production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

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

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.



VIII. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

IX. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment indicators at least annually.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

X. Impairment of Property, plant and equipment and Intangible Assets

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

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



Mivaan Steels Limited
Notes to the Financial Statements for the year ended 31 March 2024

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.

XI. Leases

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company as a lessee:

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

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



Mivaan Steels Limited
Notes to the Financial Statements for the year ended 31 March 2024

XII. 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 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.

XIII. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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

XIV. 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) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. 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

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.



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

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 the 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.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an Instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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.



d) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.



e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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 at amortised cost

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

d) 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 recognized 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 recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. 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 or loss.

e) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a nonderivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.



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

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted.

XV. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques 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.

XVI. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

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

XVII. Business Combination under common control

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs as per pooling of interest method of Ind AS 103. The difference between any consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity are recorded in shareholders' equity. The consideration transferred in business combination is measured at the aggregate of the acquisition date book values of assets given, liabilities incurred by the Company to the former owners of the acquiree and consideration paid by the Company in exchange for control of the acquiree. Acquisition related costs are recognised in the statement of profit and loss.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 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 year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

1) 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) Impairment of property, plant and equipment:

Determining whether the property, plant and equipment are impaired requires an estimate for the recoverable value of property, plant and equipment. The recoverable value computation by fair value method using cost approach involves Management relying on third party quotations of similar assets, expert's data bank for construction rates and the indices, as considered by its independent valuation expert in arriving at the fair value. Any subsequent changes in the above input factors could impact the carrying value of property, plant and equipment.

III) Fair value measurements

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

IV) Taxes

During the year, the Companies has opted for an option available under Section 115BAA of the Income Tax Act, 1961 (i.e. the new tax regime), will allows the tax payer to pay at lower income tax rate (i.e. 22% tax plus surcharge and cess which is equal to 25.17% as per enacted tax laws). This option is irrevocable, and does not allow the company to opt for certain tax concessions available under the Income tax Act, 1961.

The Company computes the tax liability and deferred taxes as per the benefit of the section 115BAA available in the new tax regime.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. A deferred tax asset arising from unused tax losses or tax credits is recognised only to the extent that the Company has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company.

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

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.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



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V) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The classification of matters as 'remote', 'possible' or 'probable' is based on the Company's assessment, past judgements, terms of the contract, regulatory provisions, etc.

VI) Standards issued but not effective

There are no standards that are notified and not yet effective as on date.



Steelers Limited (CIN: U27100MH2021PLC371388)
 Financial Statements for the year ended 31 March 2024
 in Rupees crores, unless otherwise stated)

Plant and equipment

	Leasehold Land	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
April 2022	0.89	3.06	44.14	129.99	0.56	1.49	2.80	182.93
	-	-	3.27	13.56	0.39	0.16	1.17	18.55
	-	-	(0.32)	(3.47)	(0.02)	(0.01)	(0.19)	(4.01)
March 2023	0.89	3.06	47.09	140.08	0.93	1.64	3.78	197.47
	-	-	2.63	6.31	0.24	0.11	0.84	10.13
	-	-	-	-	-	-	(0.07)	(0.07)
March 2024	0.89	3.06	49.72	146.39	1.17	1.75	4.55	207.53
Change in value on charge for the year	0.02	-	2.22	9.82	0.12	0.27	0.43	12.88
	-	-	(0.18)	(2.15)	(0.02)	-	(0.19)	(2.54)
March 2023	0.02	-	2.04	7.67	0.10	0.27	0.24	10.34
	0.01	-	2.39	13.27	0.38	0.22	0.72	16.99
	-	-	-	-	-	-	(0.04)	(0.04)
March 2024	0.03	-	4.43	20.94	0.48	0.49	0.92	27.29
Change in value :								
March 2024	0.86	3.06	45.29	125.45	0.69	1.26	3.63	180.24
March 2023	0.87	3.06	45.05	132.41	0.83	1.37	3.54	187.13

Plant and equipment also includes certain assets i.e. (a) Angul Land, Buildings & Washery (b) Building located at Artee sohna road, sainik farms, Delhi and Flats - Three C Shelters Private Limited which were fully impaired in FY 2018-19. Accordingly no separate value has been ascribed to these assets. The Company has title of all immovable properties except for title deeds of below mentioned properties, which were received by the Company from JSW Ispat Special Products Limited ("JISPL", now merged with JSW Steel Limited). During the year pursuant to the scheme of arrangement approved during the year. These properties are in the name of JISPL and the management is in process of transferring these properties in the name of the Company.

Line item in the Balance sheet	Description of the item of property	Gross carrying value (Rs. in crores)	Property held since
Plant & Equipment	Leasehold Land	0.89	Financial year 1996-97
Plant & Equipment	Freehold Land	2.67	Financial year 1990-91 to Financial year 1993-94
Plant & Equipment	Freehold Land	0.39	Financial year 1999-00 to 2021-02
		3.95	



Steel Mills Limited (CIN: U27100MH2021PLC371388)
 Financial Statements for the year ended 31 March 2024
 (in Rupees crores, unless otherwise stated)

Capital work-in-progress
 Amount of capital work-in-progress

	As at 31 March 2024			
	< 1 years	1 - 2 years	2 - 3 years	> 3 years
Projects in progress	10.29	-	-	-
Projects temporarily suspended	-	-	-	-
Total	10.29	-	-	-
	As at 31 March 2023			
	< 1 years	1 - 2 years	2 - 3 years	> 3 years
Projects in progress	1.00	-	-	-
Projects temporarily suspended	-	-	-	-
Total	1.00	-	-	-

As at the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost compared to its original plan.

Intangible assets

	Intangible Assets	Mining Rights
As at 31 April 2022	34.37	-
As at 31 March 2023	34.37	7.92
As at 31 March 2024	42.29	-
Amortization charge for the year	2.04	-
As at 31 March 2023	2.04	3.44
As at 31 March 2024	5.48	-
Carrying value :		
As at 31 March 2023	36.81	32.33
As at 31 March 2024	36.81	32.33

Amortization on mining rights have been charged in accordance with the units of production method of Ind AS 16. Accordingly, The amortization during the year is a charge based on the actual output year vis-à-vis the expected use or output.



Mivaan Steels Limited (CIN: U27100MH2021PLC371388)
Notes to Financial Statements for the year ended 31 March 2024
(Amount in Rupees crores, unless otherwise stated)

11. Trade receivables (unsecured)

Particulars	As at	As at
	31 March 2024	31 March 2023
Trade receivables - considered good	0.25	5.99
Total	0.25	5.99

Notes:

- The Credit period on sale of goods and services ranges from 30 to 120 days.
- Trade receivables do not include any receivables from directors and officers of the Company.

Ageing of receivables from due date of payment

Particulars	As at 31 March 2024						Total
	Not due	< 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	> 3 years	
Undisputed trade receivables - Considered good	-	0.25	-	-	-	-	0.25

Particulars	As at 31 March 2023						Total
	Not due	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
Undisputed trade receivables - Considered good	0.48	5.51	-	-	-	-	5.99

12. Cash and bank balances

12 A. Cash and cash equivalents :

Balances with banks

	As at	As at
	31 March 2024	31 March 2023
In current accounts	41.45	10.45
In deposit accounts with original maturity of less than 3 months	84.93	-
Cash on hand	0.04	0.04
Total	126.42	10.49

12 B. Bank balances other than above

Balances with banks

	As at	As at
	31 March 2024	31 March 2023
In term deposit accounts		
- with maturity more than 3 months but less than 12 months at inception	34.68	27.40
Total	34.68	27.40

13. Other financial assets (Current)

	As at	As at
	31 March 2024	31 March 2023
Interest accrued on deposits	1.31	2.02
Unbilled revenue (refer note 34)	45.47	16.80
Total	46.78	18.82

14. Other current assets (unsecured)

	As at	As at
	31 March 2024	31 March 2023
Advances to suppliers	76.14	89.18
Less: Allowance for doubtful advance	(1.97)	-
Prepaid expenses	1.21	3.25
Advance to gratuity fund (refer note 39) (net)	1.30	-
Balances with government authorities	10.79	10.05
Advance to employees	0.60	0.65
Others	2.56	1.93
Total	90.63	105.06



15. Share capital

	As at 31 March 2024	As at 31 March 2023
a) Equity share capital		
Authorised:		
450,000,000 (31 March 2023: 10,000) Shares of Rs.10/- each	450.00	0.01
Issued subscribed and paid up:		
8,000 (31 March 2023: 8,000) shares at par value of Rs. 10/- each	0.01	0.01
Total (a)	0.01	0.01
b. Instrument entirely equity in nature		
Issued subscribed and paid up:		
0.01% 443,110,000 (31 March 2023: 443,110,000) Compulsory Convertible Debentures (CCD) at par value of Rs. 10/- each	443.11	443.11
Total (b)	443.11	443.11
Total (a+b)	443.12	443.12

Note:

Pursuant to the Scheme of Arrangement as explained in Note 43, the Company issued 443,110,000, 0.01% CCD at par value of Rs.10/- each, as on appointed date i.e. 31 March 2022. The Company has allotted these CCDs on 31 July 2023 upon scheme becoming effective from the close of business hours of the Appointed Date i.e. 31 March 2022. Basis legal advice obtained from an independent expert, the interest on these CCD, has been accrued from the date of its allotment i.e. 31 July 2023.

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	31 March 2024		31 March 2023	
	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	0.001	0.01	0.001	0.01
Movement during the year	-	-	-	-
Outstanding at the end of the year	0.001	0.01	0.001	0.01

Compulsory convertible debentures (CCD)	31 March 2024		31 March 2023	
	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	44.31	443.11	44.31	443.11
Movement during the year	-	-	-	-
Outstanding at the end of the year	44.31	443.11	44.31	443.11

B. Terms of / Rights attached to equity shares

The Company has a single class of equity shares having par value of Rs.10 per share. Each shareholder is eligible 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 amounts, in proportion to their shareholding.

C. Terms of / Rights attached to CCD

The instrument carries an interest rate of 0.10% per annum till the time they are converted. The instrument has conversion ratio of 1:1 and the Company shall have option to convert each debenture into equivalent number of one equity shares of face value INR 10 at discretion of either parties. The CCDs has a tenure of 7 years, on the expiry of which the debentures shall be automatically converted into equity shares. Considering the instrument does not carry any liability to pay cash and shall be settled for fixed number of equity shares the same are classified as an instrument entirely equity in nature as per IND AS 32.

D. Following shareholders hold equity shares more than 5% of the total equity shares of the Company at the end of the year

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held (in crores)	% of holding in class	Number of shares held (in crores)	% of holding in class
JSW Steel Limited (formerly JSW Ispat Special Products Limited, which is merged with JSW Steel Limited on 01 August 2023 with an appointed date of 01 April 2022)	0.001	100.00%	0.001	100.00%

E. Following shareholders hold 0.01% Compulsory Convertible Debentures (CCD) more than 5% of the total convertible debentures of the Company at the end of the year

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of debentures CCD held (in crores)	% of holding in class	Number of CCD held (in crores)	% of holding in class
JSW Steel Limited (formerly JSW Ispat Special Products Limited, which is merged with JSW Steel Limited on 01 August 2023 with an appointed date of 01 April 2022)	44.31	100.00%	44.31	100.00%



Mivaan Steels Limited (CIN: U27100MH2021PLC371388)
Notes to Financial Statements for the year ended 31 March 2024
(Amount in Rupees crores, unless otherwise stated)

16. Other equity

	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
Retained earnings		
Opening balance	94.28	(1.10)
Profit for the year	133.78	96.33
Re-measurement gain/(loss) on defined benefit plans	0.82	(0.95)
Closing balance	<u>228.88</u>	<u>94.28</u>
Total other equity	228.88	94.28

Note:

Retained earnings comprise balance of accumulated (undistributed) profit and loss at each year end and balance of remeasurement of net defined benefit plan, net of taxes.



17. 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	0.86	0.87	0.02	0.02
Total	0.86	0.87	0.02	0.02

17A. Lease

Operating lease commitments - Company as lessee

Lease payments of Rs. 0.10 crores (31 March 2023 Rs. 0.08 crores) have been recognized as an expense in the statement of profit and loss.

Lease - Company as a lessee

	As at 31 March 2024	As at 31 March 2023
a. Right of use asset recognised in the Balance Sheet (leasehold land refer note 4)	0.86	0.87
b. Lease liability recognised in the Balance Sheet	0.88	0.89
c. Amounts recognised in statement of profit and loss		
- depreciation expense on right of use of asset	0.01	0.02
d. Interest expense on lease liabilities	0.02	0.03
e. Lease expense for the underlying leases of low value	-	-
f. Lease expense for short term leases	0.10	0.08
g. Total cash flow for leases	0.03	0.02
h. Carrying value of the right of use assets		
- Leasehold Land	0.86	0.87
i. Amounts of undiscounted lease commitments for leases covered other than in point (e) and (f) above		
- Not later than one year	0.02	0.02
- Later than one year and not later than five years	0.08	0.08
- Later than five years	1.06	1.08
j. Amounts of undiscounted lease commitments for leases covered in point (e) and (f) above		
- Not later than one year	0.10	0.08
- Later than one year and not later than five years	-	-
- Later than five years	-	-

The weighted average lessees incremental borrowing rate applied to lease liabilities recognised in the Balance sheet range between 9.5% to 10% p.a.

Movement of right of use asset

Particulars	Rs. in crores
At 1 April 2022	0.89
Addition	-
Deduction	-
Depreciation expense	0.02
At 31 March 2023	0.87
Addition	-
Deduction	-
Depreciation expense	0.01
At 31 March 2024	0.86

Movement in Lease Liability

Particulars	Rs. in crores
At 1 April 2022	0.88
Addition	-
Interest accrued	0.03
Lease principal payments	0.02
At 31 March 2023	0.89
Addition	-
Interest accrued	0.02
Lease principal payments	0.03
At 31 March 2024	0.88



18. Other financial liabilities

Security deposits and retention money	-
Interest accrued on compulsory convertible debentures	-
Due to related party (refer note 32)	-
Provision for salary	-
Total	-

Non-current		Current	
As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
-	-	2.14	1.57
-	-	0.03	-
-	-	15.64	9.82
-	-	6.54	6.34
-	-	24.35	17.73

19. Provisions

Provision for employee benefits	-
Provision for gratuity [refer Note 39] (net)	-
Provision for compensated absences	-
Total	0.53

Non-current		Current	
As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
-	-	-	1.25
0.53	1.34	1.93	1.77
0.53	1.34	1.93	3.02

20. Income tax recognised in Statement of Profit and Loss

A. Income tax expense

Current tax	-
Earlier year tax	-
Deferred tax	-
Total tax expense	4.89

For the year ended 31 March 2024	For the year ended 31 March 2023
44.49	27.61
3.70	-
4.89	3.80
53.08	31.41

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2023

Profit before tax	186.86
Enacted tax rate in India	25.17
Profit before income tax	186.86
Expected income tax expense/(benefits) at statutory tax rate 25.17% (31 March 2023: 25.17%)	47.03
Expenses not deductible in determining taxable profits	6.05
Others	-
Tax expense recognised in Statement of Profit & Loss	(0.75)
Effective Income Tax Rate	28.41%

For the year ended 31 March 2024	For the year ended 31 March 2023
186.86	127.74
25.17	25.17
186.86	127.74
47.03	32.16
6.05	-
-	(0.75)
53.08	31.41
28.41%	24.59%

Note:

The tax rate used for FY 2023-24 is at 25.17% and FY 2022-23 at 25.17% as the Company has applied for tax rates under Section 115BAA from FY 2022-23. The reconciliations above is at corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.



B. Deferred tax liabilities (net)

Deferred tax balance in relation to	As at 31 March 2023	For the year ended 31 March 2024		As at 31 March 2024
		Recognised / (reversed) through profit and loss (refer note below)	Recognised in / (reclassified) from OCI	
Property, plant and equipment	(5.30)	(3.68)	-	(8.98)
Provisions for impairment of Inventory	1.55	(1.55)	-	-
Provision for leave encashment	(0.05)	0.34	-	0.29
Total	(3.80)	(4.89)	-	(8.69)

Deferred tax balance in relation to	As at 31 March 2022	For the year ended 31 March 2023		As at 31 March 2023
		Recognised / (reversed) through profit and loss (refer note below)	Recognised in / (reclassified) from OCI	
Property, plant and equipment	-	(5.30)	-	(5.30)
Provisions for impairment of Inventory	-	1.55	-	1.55
Provision for leave encashment	-	(0.05)	-	(0.05)
Total	-	(3.80)	-	(3.80)

Note:

During the year, the specified undertakings (as explained in note 42) were transferred from JSW Ispat Special Products Limited (now merged with JSW Steel Limited), ("JSWISPL", parent Company), pursuant to a scheme of arrangement approved by NCLT on 18 May 2023.

The Management, basis advice from an independent tax expert, has considered the above transfer as succession of business and the cost of acquisition considered for computing depreciation under the Income Tax Act, 1961 for the previous year 2022-23, has been arrived by allocating the consideration of Rs 443.11 crores in proportion to the book value of assets and liabilities of the undertaking as on 31 March 2022 (i.e. appointed date).

21. Trade payables

Other than acceptances

- total outstanding dues of micro and small enterprises; (refer note 35)
- total outstanding dues of creditors other than micro and small enterprises

Total

	As at 31 March 2024	As at 31 March 2023
Other than acceptances	0.31	0.11
	29.74	25.84
Total	30.05	25.95

Note:

- i. Trade payables are non-interest bearing and are normally settled within 90 days .

Ageing of payables based on the due date of payment

Particulars	As at 31 March 2024					Total
	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	
(i) MSME	0.31	-	-	-	-	0.31
(ii) Others	10.18	19.56	-	-	-	29.74
Total	10.49	19.56	-	-	-	30.05

Particulars	As at 31 March 2023					Total
	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	
(i) MSME	0.11	-	-	-	-	0.11
(ii) Others	4.57	21.18	0.01	0.08	-	25.84
Total	4.68	21.18	0.01	0.08	-	25.95

22. Other current liabilities

Advances from customers

Statutory dues

Total

	As at 31 March 2024	As at 31 March 2023
Advances from customers	4.46	8.54
Statutory dues	11.20	11.41
Total	15.66	19.95



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23. Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
23A. Sale of products and services		
- Sale of products	1,314.72	1,335.54
- Sale of services	31.33	20.35
A	1,346.05	1,355.89
23B. Other operating income		
- Sale of scrap	28.68	10.42
- Insurance claim towards loss of profit	0.15	0.55
B	28.83	10.97
A+B	1,374.88	1,366.86

The Company has assessed and determined the following categories for disaggregation of revenue:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers - Sale of products	1,314.72	1,335.54
Revenue from contracts with customers - Sale of service	31.33	20.35
Other operating revenue	28.83	10.97
Total revenue from contracts with customers	1,374.88	1,366.86
India	1,374.88	1,366.86
Outside India	-	-
Total revenue from contracts with customers	1,374.88	1,366.86
Timing of revenue recognition		
At a point in time	1,374.88	1,366.86
Over a period of time	-	-
Total revenue from contracts with customers	1,374.88	1,366.86

Breakup of revenue

Billets	83.72	72.59
Sponge Iron	285.32	442.35
Structure/ TMT	724.56	621.94
Ferro Alloys	220.52	191.94
Sale of Service	31.33	20.35
Others	29.43	17.69
Total	1,374.88	1,366.86

Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	0.25	5.99
Contract liabilities (advances from customers)	4.46	8.54

The Company does not have any significant adjustments between the contracted price and revenue recognised in the Statement of profit and loss.

The performance obligation is satisfied based on the terms of sale, normally, upon delivery of the goods and payment is generally either received in advance or due within 30 to 60 days from delivery.

24. Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income earned on financial assets measured at amortised cost		
- Bank deposits	4.51	0.18
- Others interest income	0.09	0.08
Rental income	0.02	0.02
Provision no longer required written back	-	3.25
Other miscellaneous income	0.15	0.21
Total	4.77	3.74



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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock :		
Finished goods	113.38	65.59
Work-in-process	2.17	2.13
A	115.55	67.72
Closing stock :		
Finished goods	78.08	113.38
Work-in-process	1.68	2.17
B	79.76	115.55
Total (A-B)	35.79	(47.83)

26. Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	47.35	46.09
Gratuity (refer note 38)	0.89	0.92
Contribution to provident fund and other funds (refer note 38)	2.91	2.84
Staff welfare expenses	1.41	1.18
Total	52.56	51.03

27. Finance Costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on 0.01% Compulsory Convertible Debentures (CCD)	0.03	-
Interest on lease liabilities	0.02	0.01
Other borrowing costs	0.93	1.63
Total	0.98	1.65

28. Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4)	16.99	12.88
Amortisation of intangible assets (refer note 6)	3.44	2.04
Total	20.43	14.92

29. Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Stores and spares consumed	40.37	37.11
Distribution expenses	5.73	3.48
Wages & labour charges	19.50	16.84
Exchange fluctuation (net)	-	0.43
Other Manufacturing Expenses	15.24	18.11
Repairs & maintenance		
- Machinery	3.64	3.60
- Building	1.20	1.46
- Others	1.32	2.48
Legal & professional charges	13.63	9.30
Water charges	1.15	1.07
Insurance charges	2.85	2.70
Security service charges	4.49	4.26
Vehicle expenses	1.22	1.06
Auditors' remuneration		
- As audit fees	0.55	0.23
- For limited review	0.08	-
Lease rent & hire charges	0.10	0.08
Provision for slow moving/non moving inventory	2.30	6.17
Allowance for doubtful assets	4.47	-
Rates & taxes	3.84	1.45
Travelling & conveyance	0.98	1.05
Marketing expenses	5.60	4.28
Miscellaneous expenses	3.26	3.95
	131.52	119.10

Note

Based on the threshold limits as stated in Section 135 of Companies act, 2013, the Company is not required to comply with the provision pertaining to CSR during the financial year ended 31 March 2024 and 31 March 2023.



30. Earnings Per Share (EPS)

[A] Profit for the year as per statement of profit and loss attributable to equity shareholders (Rs. in crores)

[B] Weighted average number of equity shares (Nos.)

[C] CCD convertible into equity shares (weighted average) (Nos.)

Total weighted average number of equity shares for calculation of basic and diluted EPS (Nos.)

[B+C]

	For the year ended 31 March 2024	For the year ended 31 March 2023
[A]	133.78	96.33
[B]	8,000	8,000
[C]	443,110,000	443,110,000
Total weighted average number of equity shares for calculation of basic and diluted EPS (Nos.)	443,118,000	443,118,000

Earnings per equity share in Rs.

Basic [A/B]

Diluted [A/C]

Face Value of each equity share in Rs.

Basic [A/B]	3.02	2.17
Diluted [A/C]	3.02	2.17
Face Value of each equity share in Rs.	10	10

Note:

The Ordinary equity shares for computing basic earnings per share includes the shares that will be issued upon the conversion of a Compulsorily Convertible Debentures (CCD) from the appointed date i.e. March 31, 2022 as these shares are mandatorily convertible into a fixed ratio of 1:1 as per requirements of Ind AS 33 Earnings per share.

31. Commitments and contingencies

(a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) of Rs. 4.32 crore (financial year 2022-23: Rs. 3.33 crore)

(b) Contingent liabilities

Claims not acknowledged as debt

	As at 31 March 2024	As at 31 March 2023
Claims not acknowledged as debt	44.38	43.40

During the year, the specified undertakings (as explained in note 42) were transferred from JSW Ispat Special Products Limited (now merged with JSW Steel Limited), ("JSWISPL", parent Company) to the Company, pursuant to a scheme of arrangement approved by NCLT on 18 May 2023.

Further, JSWISPL underwent the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 18 July 2017. Basis Resolution Plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited approved by National Company Law Tribunal on 24 July 2018 (Order date) (with modifications) read with the independent legal opinion obtained by JSWISPL and the recent judgment of Supreme Court of India, in view of the management, all contingent liabilities, commitments, other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018) and not part of the Resolution Plan, shall stand extinguished, including those pertaining to the above mentioned specified undertaking.



32(a). Related party disclosures

1. Name of parent Company

JSW Steel Limited (formerly JSW Ispat Special Products Limited, which is merged with JSW Steel Limited on 01 August 2023)

2. Other related parties of parent Company with whom the company has related party transaction

- 1 Jindal Steel & Power Limited
- 2 JSW Steel Coated Products Limited
- 3 Nourish Organic Foods Private Limited

3. Key Managerial Personnel

- 1 Mr Jyoti Vivek Mishra - Director
- 2 Mr Anupam Kumar Sinha - Director
- 3 Mr Raj Kumar Patel - Director
- 4 Suresh Kumar Tiwari - Director (w.e.f. 18 July 2023)

4. Post-employment benefit entity

Mivaan Steels Employees Group Gratuity Trust (w.e.f. 21 June 2023)

32(b). The following transactions were carried out with related parties in the ordinary course of business :-

Particulars	FY 2023-24	FY 2022-23
Sales of goods		
JSW Steel limited	4.71	0.97
Jindal Steel & Power Limited	61.54	-
Interest on Compulsory Convertible Debentures		
JSW Steel limited	0.03	-
Purchase of Investments		
JSW Steel limited	6.11	-
Purchase of raw material / stores		
JSW Steel limited	3.68	5.40
Jindal Steel & Power Limited	0.43	-
Nourish Organic Foods Private Limited	0.01	-
JSW Steel Coated Products Limited	0.38	-

Note:

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Mivaan Steels Employees Group Gratuity Trust). During the year, the Company contributed Rs. 1.25 crores (for the year ended 31 March 2023 : Rs.2.80 crores).

32(c) . Net outstanding balances :-

	As at 31 March 2024	As at 31 March 2023
Compulsory Convertible Debentures		
JSW Steel limited	443.11	443.11
Other payable		
JSW Steel limited	15.64	9.82
Trade Receivables		
Jindal Steel & Power Limited	0.19	-



33. Segment information

The Company is in the business of manufacturing steel products and allied products having similar characteristics and reviewed by the chief operating decision maker for assessment of Company's performance and resource allocation.

Accordingly, the Company has only one reportable operating segment as per Ind AS 108 - Operating segments.

a) All the business operations of the company are in India and hence, there is only one geographic segment.

b) Information about major customers:-

There are no customers from whom the Company has earned more than 10% of its total revenue during the year.

c) Non-current assets

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

34. Unbilled Revenue

The Company has accrued unbilled revenue of Rs 45.47 crores pertaining to coal washery services provided to a customer at agreed rates, pending novation of contract in the name of the Company after the transfer of the specified undertakings (as explained in note 42) from JSW Ispat Special Products Limited (now merged with JSW Steel Limited), ("JSWISPL", parent Company), pursuant to a scheme of arrangement approved by NCLT on 18 May 2023.

35. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	0.31	0.11
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-



36. Financial Instruments

36.1 Capital risk management

The primary objective of the Company's capital management is to maximise the shareholder value. As at 31 March 2024 and 31 March 2023 the Company has no debt.

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company manages its capital structure and makes adjustments to it, based on underlying macro economic factors affecting business environment, financial market conditions and interest rates environment.

36.2 Categories of financial instruments

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

As at 31 March 2024

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value*
Financial assets				
Trade receivables	0.25	-	-	0.25
Cash and cash equivalents	126.42	-	-	126.42
Investments	-	-	-	-
Bank balances other than cash and cash equivalents	34.68	-	6.11	40.79
Other financial assets	86.08	-	-	86.08
Total	247.43	-	6.11	253.54
Financial liabilities				
Lease liabilities	0.88	-	-	0.88
Trade payables	30.05	-	-	30.05
Other financial liabilities	24.35	-	-	24.35
Total	55.28	-	-	55.28

As at 31 March 2023

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value*
Financial assets				
Trade receivables	5.99	-	-	5.99
Cash and cash equivalents	10.49	-	-	10.49
Bank balances other than cash and cash equivalents	27.40	-	-	27.40
Other financial assets	38.94	-	-	38.94
Total	82.82	-	-	82.82
Financial liabilities				
Lease liabilities	0.89	-	-	0.89
Trade payables	25.95	-	-	25.95
Other financial liabilities	17.73	-	-	17.73
Total	44.57	-	-	44.57

* The fair value of the financial assets and financial liabilities approximates to their corresponding carrying value.

The management assess that Cash & Cash Equivalent, Bank Balance, Trade Receivable & Others carried at amortised cost approximates their carrying amount largely due to the Short Term Maturities of these assets.

36.3 Financial risk management objectives and policies

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.



36.4 Credit risk management:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade receivables

Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of credit risk.

At each reporting date, the Company computes the expected credit loss using simplified approach. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at the balance sheet date. The Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

B. Financial instruments and bank deposits

Credit risk from investments with banks is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assesses the Company's policy and updates the same as required. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty failure.

III. Liquidity risk

Liquidity risk refers to the risk of financial distress or extraordinarily high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Maturity pattern of financial assets and liabilities:

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

As at 31 March 2024

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non current investment	-	-	6.11	6.11
Trade receivable	0.25	-	-	0.25
Cash and cash equivalents	126.42	-	-	126.42
Bank balances other than cash and cash equivalents	34.68	-	-	34.68
Other financial assets	46.78	37.39	1.91	86.08
Total financial assets	208.13	37.39	1.91	247.43
Financial liabilities				
Lease liabilities	0.02	0.08	1.06	1.16
Trade payables	30.05	-	-	30.05
Other financial liabilities	24.35	-	-	24.35
Total financial liabilities	54.42	0.08	1.06	55.56



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As at 31 March 2023

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivable	5.99	-	-	5.99
Cash and cash equivalents	10.49	-	-	10.49
Bank balances other than cash and cash equivalents	27.40	-	-	27.40
Other financial assets	18.82	15.71	4.41	38.94
Total financial assets	62.70	15.71	4.41	82.82
Financial liabilities				
Lease liabilities	0.02	0.08	1.08	1.18
Trade payables	25.95	-	-	25.95
Other financial liabilities	17.73	-	-	17.73
Total financial liabilities	43.70	0.08	1.08	44.86

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

37. Ratios:

Particulars	As at 31 March 2024	As at 31 March 2023	Variance %	Note
(a) Current ratio (current assets / current liabilities)	6.59	4.28	53.97%	Refer note 36 (a)
(b) Debt-equity ratio (total borrowings / total equity)	NA	NA		
(c) Debt service coverage ratio (EBITDA (excl. loss on sale of PPE) / (finance cost + Repayment + lease expenses)	NA	NA		
(d) Return on Equity ratio (net profit/(loss) / average shareholders equity)	0.22	0.20	10.00%	Refer note 36 (b)
(e) Inventory turnover ratio (cost of goods sold / average inventory)	4.18	4.47	-6.49%	
(f) Trade receivables turnover ratio (total sales / average trade receivables)	440.67	293.63	50.08%	Refer note 36 (c)
(g) Trade Payables turnover ratio (total purchases / average trade payables)	29.33	29.55	-0.74%	
(h) Net capital turnover ratio (net sales / working capital)	3.36	4.52	-25.66%	Refer note 36 (d)
(i) Net profit ratio (net profit / net sales)	9.73%	7.05%	38.01%	Refer note 36 (e)
(j) Return on capital employed (EBIT / capital employed)	4.23%	25.62%	-83.49%	Refer note 36 (f)
(k) Return on investment (Market value at the closing - Market value at the beginning) / Market value at the beginning	N.A	N.A		

Note :

- 37(a) Increase is primarily on account of increase in cash & cash equivalents and unbilled revenue in current financial year as compared to previous year.
37(b) Increase is primarily due to increase in profitability in current financial year as compared to previous year.
37(c) Increase is primarily due to decrease in trade receivable in current year.
37(d) Decrease is primarily due to higher increase in working capital during the year as compared to increase in net sales.
37(e) Increase is primarily due to increase in profits during the year which increased mainly on account of decrease in cost of production.
37(f) Decrease is primarily due to increase in profits during the year which led to consequential increase in capital employed.
37(g) The company do not have borrowing hence debt equity ratio and debt service coverage ratio's are not applicable.



38. Employee benefit plans

a) Defined contribution plans

The Company operates 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 & family pension scheme are recognised in statement of profit and loss aggregates to Rs. 2.91 crores (for the year ended 31 March 2023 : Rs.2.84 crores) (included in note 26).

Contribution towards Company owned trust is detailed in Defined benefit plans.

b. Defined benefit plans

The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

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, 60 and 63. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by Mivaan Steels Employees Group Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2024 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(I) Gratuity :

Changes in the present value of the defined benefit obligation are, as follows:

Defined Benefit Obligation ('DBO') at the beginning of the year

	As at 31 March 2024	As at 31 March 2023
Current service cost	13.38	12.08
Interest cost	0.80	0.80
Benefits paid	0.98	0.83
Actuarial (gain)/ loss on obligations - OCI	(0.81)	(0.71)
Defined Benefit Obligation at the end of the year	14.39	13.38

Changes in the fair value of plan assets are, as follows:

Fair value of plan assets at the beginning of the year

Contribution by employer	12.13	10.39
Benefits paid	2.37	2.80
Expected Interest Income on plan assets	(0.81)	(0.94)
Actuarial gain/(loss) on plan asset	0.89	0.71
Fair value of plan assets at the end of the year	15.69	12.13



Reconciliation of fair value of plan assets and defined benefit obligation:

Fair value of plan assets	
Defined benefit obligation	
Net liability/(asset) recognised in the balance sheet (refer note 14 and 19)	

As at 31 March 2024	As at 31 March 2023
15.69	12.13
14.39	13.38
(1.30)	1.25

Amount recognised in Statement of Profit and Loss:

Current service cost	
Interest expense	
Expected return on plan asset	
Net expense recognised in Statement of Profit and Loss	

As at 31 March 2024	As at 31 March 2023
0.80	0.80
0.98	0.83
(0.89)	(0.71)
0.89	0.92

Amount recognised in other comprehensive income:

Actuarial changes arising from changes in demographic assumptions	
Actuarial changes arising from changes in financial assumptions	
Experience adjustments	
Return on plan assets (excluding amounts included in interest income above)	
Amount recognised in other comprehensive (loss)/ income	

(0.14)	0.47
0.17	(0.36)
-	0.27
(1.11)	0.83
(1.08)	1.21

The major categories of plan assets of the fair value of the total plan assets are as follows:

Investment details

Investment with insurance fund

Funded
100%

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Discount rate	7.19%
Expected rate of return on Plan assets	7.35%
Future salary increases	9.00%
Attrition rate	4.70%
Mortality rate during employment	Indian assured lives mortality (2012-14) ult

Sensitivity analysis:-

No separate analysis of the mortality rate for the Entity was deemed necessary to be undertaken, hence we have considered an appropriate standard mortality table available. Suitable adjustments and improvements have been applied where necessary.

The above may not be borne out in practice, in the short term, due to the volatility in experience due to the pandemic. The results may be particularly sensitive to some assumptions, such as the discount rate and escalation. Quantum of these sensitivities have been provided under the Valuation Results section where appropriate.

The Company is expected to contribute Rs.0.96 crore to its gratuity plan for the next year. The weighted average duration of the DBO is 10 years.

39. Audit Trail

The Company has been maintaining its books of account in Microsoft Navision (NAV 2016) which has feature of recording audit trail enabled w.e.f. 14 November 2023, as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014. The feature has been enabled for 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. 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.

Further, the Company uses Zimyo software operated by a third party software service provider, for maintaining payroll records, wherein the audit trail feature has not been enabled throughout the year. The Company is currently in process of implementing the requisite updates for compliance with the requirement of proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014.



40 Rule 11 of Companies (Audit and Auditors) Rules, 2014

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

41 Other statutory information

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company does not have any such transaction which is not recorded in the books of account 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.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared willful defaulter by and bank or financials institution or lender during the year.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company does not have any transactions with companies which are struck off.
- The Company has no working capital borrowings from bank or financials institution where it has been obtained on the basis of security of current assets. Therefore, the the Company is not required to file the quarterly returns/statements during the financial year.

42 Acquisition of Specified Undertaking from JSW Ispat Special Products Limited ("JSWISPL"):

- The Board of Directors of the Company, at their meeting held on 16 February 2022, had inter alia, approved the Composite Scheme of Arrangement under applicable provisions of the Companies Act, 2013 between JSW Ispat Special Products Limited ("JSWISPL"/"Transferor Company"), Mivaan Steels Limited (the "Company" /"MSL"/"Transferee Company"), and their respective shareholders and creditors ("Scheme"). The Scheme inter alia provides for the transfer by way of slump sale of the Specified Undertaking from JSWISPL to MSL.
- The Scheme was approved by the honourable National Company Law Tribunal of Mumbai Bench Court III on 18 May 2023 and the Scheme became operative from close of business hours of the Appointed date i.e. 31 March 2022.
- Pursuant to the scheme, the Company has given effect to accounting as follows:
 - All assets and liabilities (as enlisted below) pertaining to Specified Undertaking have been transferred to MSL at its book values as on 31 March 2022 being the appointed date and correspondingly Compulsorily Convertible Debentures were issued by MSL to JSWISPL amounting to Rs. 443.11 Crores as total consideration given by the Company on account of above acquisition.
 - Further, Pursuing to the scheme of arrangement, the title of all the immovable properties, mining rights, right of use assets, fixed deposits and bank balances are in the process of being transferred in favour of the Company.

Assets and liabilities of specified undertaking transferred to MSL from JSWIPL at book values as on 31 March 2022

Particulars	Amount
Total Assets	
a) Property, Plant and Equipment	182.93
b) Capital Work in Progress (CWIP)	5.65
c) Intangible assets	34.37
e) Investment	-
f) Inventory	184.77
g) Trade Receivables	3.32
h) Other financial assets	25.27
i) Other assets	63.10
j) Cash and cash equivalents	22.70
Total assets (A)	522.11
Total Liabilities	
a) Trade Payables	39.38
b) Lease Liabilities	0.90
c) Other financial liabilities	6.18
d) Provisions	4.90
e) Other liabilities	27.64
Total liabilities (B)	79.00
Net assets as on 31 March 2022 transferred from JSWISPL to MSL (A)-(B)	443.11
Consideration settled by issue of 0.01% 44.31 Crores (nos.) Compulsory Convertible Debentures (CCD) of Rs. 10 each to JSW Ispat Special Products Limited (now merged with JSW Steel Limited)	443.11
Goodwill/Capital Reserve	-

The Company and JSWISPL are both ultimately controlled by JSW Steel Limited and accordingly, the Company have accounted for acquisition of specified undertaking in accordance with pooling of interest method as stated in Appendix C of Ind AS 103- Business Combination on Business combinations of entities under common control.



43 The figures for the corresponding previous years have been reclassified / regrouped wherever necessary to make them comparable.

44 The Financial statements of the Company for the year ended 31 March 2023 were audited by JPMK and Company, Chartered accountants, the predecessor auditor vide their unmodified audit report dated 15 May 2023.

For and on behalf of the Board of Directors


Jyoti Vivek Mishra
Director
DIN-08650330


Raj Kumar Patel
Director
DIN-09670728

Place : Raigarh
Date: 16 May 2024

Place : Raigarh
Date: 16 May 2024

