

## INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE AUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

### To the Board of Directors of Piombino Steel Limited

1. This report is issued in accordance with the terms of our agreement.

### Opinion

2. We have audited the accompanying Special Purpose Audited Condensed Interim Financial Statements of **Piombino Steel Limited** ("the Company"), which comprise the Special Purpose Audited Condensed Interim balance sheet as at September 30, 2025, and the Special Purpose Audited Condensed Interim statement of Profit and Loss including other comprehensive income, the Special Purpose Audited Condensed Interim cash flows statement and the Special Purpose Audited Condensed Interim statement of changes in equity for the period then ended, and notes to the Special Purpose Audited Condensed Interim financial statements, including a summary of material accounting policies and other explanatory information (hereafter referred at as "Special Purpose Audited Condensed Interim Financial Statements").
3. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Audited Condensed Interim financial statements are prepared in all material respects, in accordance with the basis set out in Note II of the Special Purpose Audited Condensed Interim financial statements and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

### Basis for Opinion

4. We conducted our audit of the Special Purpose Audited Condensed Interim Financial Statements in accordance with the Standards on Auditing (SAs) specified under 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Audited Condensed Interim Financial Statements.

### Emphasis of Matter

5. We draw attention to the following:
  - a. Note II to the Special Purpose Audited Condensed Interim Financial Statements, which describes the Basis of Preparation. The Special Purpose Audited Condensed Interim Financial Statements dealt with by this report have been prepared specifically in connection with the proposed restructuring activities at the Parent Company level. These financial statements have been prepared for the period from April 1, 2025 to September 30, 2025.

Our opinion is not modified in respect of this matter.

### Management's Responsibility for the Special Purpose Audited Condensed Interim Financial Statements

6. The Board of Directors of the Company is responsible for the preparation and presentation of the Special Purpose Audited Condensed Interim 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 Basis of Preparation set out in Note 3.1 to the Special Purpose Audited Condensed Interim Financial Statements for the purpose set out in paragraph Basis of Accounting and Restriction on Distribution and Use section below and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in



accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Audited Condensed Interim Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Special Purpose Audited Condensed Interim Financial Statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Special Purpose Audited Condensed Interim Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose Audited Condensed Interim 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 Special Purpose Audited Condensed Interim financial statements.
9. 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 Special Purpose Audited Condensed Interim Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness on the Company's internal controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of Management's and Board of Directors 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 Special Purpose Audited Condensed Interim 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 Special Purpose Audited Condensed Interim Financial Statements, including the disclosures, and whether the Special Purpose Audited Condensed Interim Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.





10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. 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.

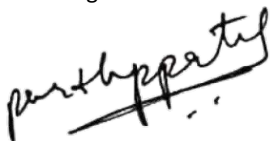
#### **Restriction on Use**

12. This report has been issued at the request of the Board of Directors of the Company to whom it is addressed for the purpose set out in paragraph 5 (a) above and should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Shah Gupta & Company, Chartered Accountants neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

For **SHAH GUPTA & CO.**

Chartered Accountants

Firm Registration No – 109574W



**Parth P Patel**

Partner

M. No.172670

UDIN: 25172670BMKVKU2826

Place: Mumbai

Date: November 26, 2025



# **PIOMBINO STEEL LIMITED**

**Special Purpose Audited Condensed Interim  
Financial Statements for the period ended  
September 30, 2025**

**PIOMBINO STEEL LIMITED**  
Special Purpose Audited Condensed Interim Balance Sheet as at September 30, 2025  
CIN No. - U27320MH2018PLC374653

Particulars	Notes	Rs. in crores	
		As at September 30, 2025	As at March 31, 2025
<b>I ASSETS</b>			
(1) Non-current assets			
(a) Investment in subsidiary	2	8,552.01	8,550.00
(b) Deferred tax assets (net)	22(B)	0.02	0.02
(c) Current tax assets (net)	3	16.96	19.56
<b>Total non-current assets</b>		<b>8,568.99</b>	<b>8,569.58</b>
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	4	69.46	13.33
(ii) Cash and cash equivalents	5	0.15	151.92
(iii) Other financial assets	6	2,296.91	2,005.73
(b) Other current assets	7	24.64	24.66
<b>Total current assets</b>		<b>2,391.16</b>	<b>2,195.64</b>
<b>Total assets</b>		<b>10,960.15</b>	<b>10,765.22</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	8	5,870.28	5,870.28
(b) Other equity	9	961.89	862.03
<b>Total Equity</b>		<b>6,832.17</b>	<b>6,732.31</b>
<b>Liabilities</b>			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	435.00	-
<b>Total non-current liabilities</b>		<b>435.00</b>	<b>-</b>
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	3,143.00	3,521.00
(ii) Trade payables			
(a) Total outstanding due of micro and small enterprises	12	-	-
(b) Total outstanding due of creditors other than micro and small enterprises		69.45	18.82
(iii) Other financial liabilities	13	480.47	289.58
(b) Other current liabilities	14	0.06	203.51
<b>Total current liabilities</b>		<b>3,692.98</b>	<b>4,032.91</b>
<b>Total liabilities</b>		<b>4,127.98</b>	<b>4,032.91</b>
<b>Total equity and liabilities</b>		<b>10,960.15</b>	<b>10,765.22</b>

See accompanying notes forming part of the Special Purpose Audited Condensed Interim Financial Statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 25172670BMKVKU2826  
Place: Mumbai  
Date: 26th November, 2025



For and on behalf of the Board of Directors

<i>Kaustubh Kulkarni</i> Kaustubh Kulkarni Chief Executive Officer	<i>Divyakumar Bhair</i> Divyakumar Bhair Director DIN: 08568679	<i>Anil Kumar Singh</i> Anil Kumar Singh Director DIN: 02059903
	<i>Ruchika Rushik Shah</i> Ruchika Rushik Shah Company Secretary M. No. FCS9114	<i>Mohit Goyal</i> Mohit Goyal Chief Financial Officer

**PIOMBINO STEEL LIMITED**  
Special Purpose Audited Condensed Interim Statement of Profit and Loss for the half year ended September 30, 2025  
CIN No. - U27320MH2018PLC374653

Particulars	Notes	For the period ended September 30, 2025	For the period ended September 30, 2024
I. Revenue from operations	15	45.31	619.18
II. Other income	16	324.36	305.90
III. Total income (I+II)		<u>369.68</u>	<u>925.08</u>
IV. Expenses			
Purchase of stock-in-trade	17	45.20	618.03
Finance costs	18	190.71	178.18
Other expenses	19	0.32	0.24
Total expenses		<u>236.23</u>	<u>796.45</u>
V. Profit before tax (III-IV)		133.45	128.63
VI. Tax expense	21		
Current tax		33.59	32.37
Deferred tax		-	0.01
		<u>33.59</u>	<u>32.38</u>
VII. Profit for the year (V-VI)		<u>99.86</u>	<u>96.25</u>
VIII. Other comprehensive income/ (loss)		-	-
IX. Total Other comprehensive income for the year (VII+VIII)		<u>99.86</u>	<u>96.25</u>
X. Earnings per equity share of Rs. 10 each			
Basic (in Rs)		0.17	0.16
Diluted (in Rs)	20	0.17	0.16

See accompanying notes forming part of the Special Purpose Audited Condensed Interim Financial Statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 25172670BMKVU2826  
Place: Mumbai  
Date: 26th November, 2025



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer



For and on behalf of the Board of Directors  
*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679  
*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Ruchika*  
Ruchika Rushik Shah  
Company Secretary  
M. No. FCS9114

*Mohit*  
Mohit Goyal  
Chief Financial Officer

**PIOMBINO STEEL LIMITED**  
Audited Condensed Standalone Interim Statement of changes in equity for the period ended September 30, 2025  
CIN No. - U27320MH2018PLC374653

FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(a) Equity share capital

Particulars	Rs. in crores
As at April 1, 2025	5,870.28
As at September 30, 2025	5,870.28

(b) Other equity

Particulars	Rs. in crores				
Nature	Reserves & Surplus			Money received against share warrants	Total
	Retained earnings	Capital Redemption Reserve Reserve	Capital Reserve on account of business combination		
Opening balance as at April 1, 2025	624.92	222.64	0.47	14.00	862.03
Profit for the period	99.86	-	-	-	99.86
Closing balance as at September 30, 2025	724.78	222.64	0.47	14.00	961.89

FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(a) Equity share capital

Particulars	Rs. in crores
As at April 1, 2024	6,092.92
As at September 30, 2024	6,092.92

(b) Other equity

Particulars	Rs. in crores				
Nature	Reserves & Surplus			Money received against share warrants	Total
	Retained earnings	Capital Redemption Reserve Reserve	Capital Reserve on account of business combination		
Opening balance as at April 1, 2024	441.56	-	0.47	14.00	456.03
Profit for the period	96.25	-	-	-	96.25
Closing balance as at September 30, 2024	537.81	-	0.47	14.00	552.28

See accompanying notes forming part of the Special Purpose Audited Condensed Interim Financial Statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 25172670BMKVKU2826  
Place: Mumbai  
Date: 26th November, 2025



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

For and on Behalf of the Board of Directors

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903



*Ruchika*  
Ruchika Ruchik Shah  
Company Secretary  
M. No. FCS9114

*Mohit*  
Mohit Goyal  
Chief Financial Officer



**PIOMBINO STEEL LIMITED**  
Special Purpose Audited Condensed Interim Financial Statement of Cash Flows for the half year ended September 30, 2025

Rs. in crores

Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024
<b>A. Cash flow from operating activities</b>		
Profit before tax	133.45	128.63
Adjustments for :		
Interest expense	190.71	178.18
Gain on sale of financial investments designated as fair value through profit & loss a/c	(0.04)	-
Commission on pledge	(2.23)	-
Interest income	(322.08)	(305.90)
Operating (loss)/profit before working capital changes	(0.17)	0.91
Adjustments for:		
Increase in trade receivables	(56.16)	(203.26)
Decrease/(Increase) in other assets	(291.18)	31.44
Decrease in trade payables and other liabilities	29.06	114.35
Cash flow from operations	(318.44)	(56.56)
Income taxes paid (net of refund received)	(36.35)	(7.14)
Net cash used in operating activities (A)	(354.79)	(63.70)
<b>B. Cash flow from investing activities</b>		
Interest received	-	2.87
Interest on Income tax refund	1.28	-
Interest received on fixed deposit	0.93	-
Loan to a related party	-	(0.30)
Redemption of mutual fund	3.04	-
Investment in mutual fund	(3.00)	-
Investment in subsidiary- equity shares	(2.01)	-
Loan repaid by a related party	-	0.30
Bank Deposits not considered as cash and cash equivalent	151.00	-
Net cash generated from investing activities (B)	151.24	2.87
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	57.00	97.00
Repayment of current borrowings	(5.22)	(18.00)
Interest paid	-	(18.91)
Net cash generated from financing activities (C)	51.78	60.09
Net decrease in cash and cash equivalents(A+B+C)	(151.77)	(0.74)
Cash and cash equivalents - opening balances	151.92	1.19
Cash and cash equivalents - closing balances	0.15	0.45

See accompanying notes forming part of the Special Purpose Audited Condensed Interim Financial Statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 25172670BMKVU2826  
Place: Mumbai  
Date: 26th November, 2025



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer



For and on behalf of the Board of Directors

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Aqil Kumar Singh*  
Aqil Kumar Singh  
Director  
DIN: 02059903

*Ruchika Rushik Shah*  
Ruchika Rushik Shah  
Company Secretary  
M. No. FCS9114

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer



**PIOMBINO STEEL LIMITED**

**Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025**

**1. General Information**

Piombino Steel Limited ("the Company") is incorporated in India on September 21, 2018 under the Companies Act, 2013 with its registered office located at 6th Floor, Grande Palladium, 175, CST Road, Kolivery Village, MMRDA Area, Kalina, Santacruz East, Mumbai 400098.

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substances, alloys and metal scrap of all kinds.

**1A. Recent accounting pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. It has notified Companies (Indian Accounting Standards) Second Amendment Rules, 2025 dated August 13, 2025 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2025.

**Ind AS 1 - Presentation of Financial Statements: Classification of liabilities as current or non-current, including debt covenants**

The amendment has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance.

**Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments (Disclosures): Disclosure of supplier financial arrangements**

These amendments require enhanced disclosures to help users of financial statements understand the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. These amendments are effective for annual periods beginning on or after April 01, 2025. Comparative information for earlier periods and disclosures for interim periods ending on or before March 31, 2026 are not required.

**Ind AS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability**

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The above amendments have no impact on the Company's Special Purpose Audited Condensed Interim Financial Statements.

**1B. Material accounting policies**

**I. Statement of compliance:**

The Financial Statements of the Company which comprise the Special Purpose Audited Condensed Interim Balance Sheet as at 30th September, 2025, the Special Purpose Audited Condensed Interim Statement of Profit and Loss, the Special Purpose Audited Condensed Interim Statement of Cash Flows and the Special Purpose Audited Condensed Interim Statement of Changes in Equity for the period April 01, 2025 to September 30, 2025, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Audited Condensed Interim Financial Statements").

These Special Purpose Audited Condensed Interim Financial Statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India

These Special Purpose Audited Condensed Interim Financial Statements have been approved by the Board of Directors in its meeting held on Nov 26, 2025.

**II. Basis of preparation and presentation:**

These Special Purpose Audited Condensed Interim Financial Statements are prepared in connection with the proposed restructuring activities being carried out at Parent Company level. These Special Purpose Audited Condensed Interim Financial Statements cover a period from April 1, 2025 to September 30, 2025.

These Special Purpose Audited Condensed Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period as explained in the accounting policies below.



**PIOMBINO STEEL LIMITED****Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025****II (a) Fair Value for measurement and/or disclosure purposes**

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

In addition, for financial reporting purposes, fair value measurements are 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.

These Special Purpose Audited Condensed Interim Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 except when otherwise stated.

**II (b) 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

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

**III. Revenue recognition****Sale of Goods**

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.





## PIOMBINO STEEL LIMITED

### Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025

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.

#### Interest income

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

#### IV. Borrowing costs

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

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

#### V. 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.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Special Purpose Audited Condensed Interim 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 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 year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

##### 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 recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

#### VI. Inventories



**PIOMBINO STEEL LIMITED**

**Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025**

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 labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.

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.

**VII. Provisions**

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

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

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.

**VIII. Investment in subsidiary:**

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

**IX. 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 Special Purpose Audited Condensed Interim Statement of Profit and Loss.

**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**

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

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





**PIOMBINO STEEL LIMITED**

**Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025**

- 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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised 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 and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is 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) 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 and loss and is included in the 'Other income' line item.

**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.



**PIOMBINO STEEL LIMITED**

**Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025**

**c) Financial liabilities**

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

**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.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**X. Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

**XI. Cash and cash equivalents:**

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

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

**XII. Earnings per share:**





**PIOMBINO STEEL LIMITED**

**Notes to the Special Purpose Audited Condensed Interim Financial Statements for the period ended September 30, 2025**

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

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

**XIII. Business Combination**

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

**1C. Key sources of estimation uncertainty and critical accounting judgements:**

In the course of applying the policies outlined in all notes under section 1 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 years.

**Key sources of estimation uncertainty:**

Impairment of investments in subsidiary

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

Taxes

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



Piombino Steel Limited  
Notes forming part of the Special Purpose Audited Condensed Interim financial statements

2. Investment in Subsidiary

Particulars	As at September 30, 2025		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Unquoted				
Investment at cost				
(a) Investment in equity instruments				
Subsidiary				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	10,00,00,000	100.00	10,00,00,000	100.00
JSW Kalinga Steel Limited.	20,99,994	2.01	-	-
(b) Investment in compulsory convertible debentures (CCDs)				
Unquoted				
Subsidiary				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	8,45,00,00,000	8,450.00	8,45,00,00,000	8,450.00
<b>Total Investment</b>	<b>8,55,20,99,994</b>	<b>8,552.01</b>	<b>8,55,00,00,000</b>	<b>8,550.00</b>
Less: Aggregate amount of provision for impairment in value of investments		-		-
<b>Total</b>		<b>8,552.01</b>		<b>8,550.00</b>
<b>Aggregate carrying value</b>		<b>8,552.01</b>		<b>8,550.00</b>

Notes

a) The CCDs shall have a term of 5 (five) years commencing from the date on which the CCDs are issued and allotted i.e. March 25, 2021. The CCDs holders are entitled to receive a coupon on an annual basis at the rate of 6% per annum from the date of issue and allotment of CCDs. The CCDs coupon shall be payable on end of quarter from commencement of each subsequent quarter in which the interest became due. Each CCD is convertible at any time during the CCD term into one equity shares of face value of Rs. 10. The holder of CCDs subject to their discretion shall have the right to direct the company to convert any or all the CCDs at any time during the CCD term.

b) The Company's investments in CCD's of Bhushan Power & Steel Limited amounting to Rs.8,450 crores were classified as fair value through profit and loss in the earlier years. In terms of para 2.1(a) of Ind AS 109, investment as 'interest in subsidiaries' are scoped out from measurement principles of Ind AS 109. Accordingly, this investment basis Ind AS 109 and the terms should be treated as part of 'interests in subsidiaries' and carried at cost less impairment other than Ind AS 109. During the previous year ended March 31, 2023, based on technical note from expert obtained by the Company, it has reclassified the said investments from Investment in Subsidiary at FVTPL to Investment in Subsidiary at Cost.

c) 8,32,79,940 shares (as at 31 March 2025, Nil shares) are pledged to the Bhushan Power & Steel Limited's banker (State Bank of India) to secure refinancing of term loan facility (refer note 23)

d) 20,99,994 shares invested in JSW Kalinga Steel Limited on 30 Sept 2025

3. Current tax assets (Net)

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Tax deducted at source (net of provision for tax)	16.96	19.56
	<b>16.96</b>	<b>19.56</b>

4. Trade receivables

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	69.46	13.33
	<b>69.46</b>	<b>13.33</b>

Particulars	Outstanding for following periods from due date of payment as at September 30, 2025					
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	0.18	-	69.20	0.08	-	69.46

Particulars	Outstanding for following periods from due date of payment as at 31 March 2024					
	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	0.18	-	13.07	0.08	-	13.33

The credit period on sales of goods ranges from 7 to 120 days with or without security. Trade receivables does not include any receivables from directors and officers of the Company. Details of trade receivables from related parties has been described in note 23. Credit risk management regarding trade receivables has been described in note 25.4.

5. Cash and cash equivalents

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Balances with banks		
In current accounts	0.15	0.92
In term deposit accounts with maturity less than 3 months at inception	-	151.00
	<b>0.15</b>	<b>151.92</b>



**6. Other current financial assets (unsecured)**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Interest receivable accrued and due on compulsory convertible debentures (CCDs)	-	-
Interest receivable due on compulsory convertible debentures (CCDs)	-	-
- from related party	2,294.22	2,005.13
Security deposit	0.27	0.27
Interest receivable on fixed deposit	-	0.13
Others	2.42	0.20
Less: Allowance for doubtful receivables	-	-
	<b>2,296.91</b>	<b>2,005.73</b>

**7. Other current assets**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Balance with government authorities	24.64	24.66
Less: Allowance for doubtful receivables	-	-
	<b>24.64</b>	<b>24.66</b>

**8. Share capital**

Particulars	As at September 30, 2025		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
<b>(a) Authorised:</b>				
Equity shares of Rs. 10 each of the par value	12,00,00,00,000	12,000.00	12,00,00,00,000	12,000.00
Preference shares of Rs. 10 each of the par value	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
<b>(b) Issued and subscribed</b>				
Outstanding at the beginning of the period/year, fully paid up	5,87,73,64,000	5,870.28	6,10,00,00,000	6,092.92
Less: Buy back of Equity shares	-	-	(22,26,36,000)	(222.64)
Outstanding at the end of the period/year, fully paid up	<b>5,87,73,64,000</b>	<b>5,870.28</b>	<b>5,87,73,64,000</b>	<b>5,870.28</b>

**(c) Rights, preferences and restrictions attached to equity shares**

The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

**(d) Details of shareholders holding more than 5% shares in the Company are set out below:**

Particulars	As at September 30, 2025		As at March 31, 2025	
	No. of Shares	% of Shares	No. of Shares	% of Shares
JSW Steel Limited, the Holding Company	4,85,73,64,000	82.65%	4,85,73,64,000	82.65%
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	17.35%

**(e) Change in Promoter's shareholding as on September 30, 2025:**

Promoter Name	As at September 30, 2025		As at March 31, 2025		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Steel Limited, the Holding Company	4,85,73,64,000	82.65%	4,85,73,64,000	82.65%	(0.63%)
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	16.72%	0.00%

**9. Other equity**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Retained earnings	724.78	624.92
Capital Redemption Reserve (CRR)	222.64	222.64
Capital reserve	0.47	0.47
Money received against share warrants	14.00	14.00
	<b>961.89</b>	<b>862.03</b>

**(a) Retained earnings**

Retained earnings are the profits/(losses) that the Company has earned till date. It is a free reserve available to the Company.

**(b) Capital reserve**

Reserve is created primarily on merger as per statutory requirement. This reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

**(c) Money received against share warrants**

The Company has issued 3,500,000,000 share warrants each to JSW Steel and JSW Shipping respectively with a subscription price of Rs. 0.02 per warrant. The exercise period is five years from the days of issue of the warrants and the warrant holders at their discretion shall be entitled to purchase one equity share of the face value of Rs. 10 each at an exercise price of Rs 10.

**(d) Capital Redemption Reserve (CRR)**

The Company has created a Capital Redemption Reserve (CRR) pursuant to the provisions of the Companies Act 2013, Section 69, upon the buyback of equity shares during the financial year.

The amount transferred to the Capital Redemption Reserve from retained earnings is Rs. 222.63 Crores. This reserve is maintained to ensure the integrity of the Company's capital base and is not available for distribution as dividends.

The Capital Redemption Reserve is classified under Reserves & Surplus in the financial statements and is presented as part of the Shareholders' Equity. It can be utilized only in accordance with the provisions of the Companies Act and other applicable regulations.





**10. Borrowings At amortised cost**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
<b>Non-current borrowings (Unsecured)</b>		
(i) Term loans		
From related party	435.00	-
	<u>435.00</u>	<u>-</u>

The Company has outstanding borrowings as on September 30, 2025 Rs. 378,00,00,000 (March 31, 2025 : Nil) from JSW Steel Limited bearing an interest rate of 10.60% compounded annually and is repayable after four years from the date of respective disbursement date (i.e June 30, 2029). Hence, reclassified as non current.

The Company has outstanding borrowings as on September 30, 2025 Rs. 4,00,00,000 (March 31, 2025 : Nil) from JSW Steel Limited bearing an interest rate of 10.85% compounded annually and is repayable after four years from the date of respective disbursement date (i.e June 30, 2029). Hence, reclassified as non current.

The Company has outstanding borrowings as on September 30, 2025 Rs. 53,00,00,000 (March 31, 2025 : Nil) from JSW Steel Limited bearing an interest rate of 10.85% compounded annually and is repayable after four years from the date of respective disbursement date (i.e April 30, 2027). Hence, reclassified as non current.

**11. Borrowings**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
<b>Current borrowings</b>		
Loan from related party	3,143.00	3,521.00
	<u>3,143.00</u>	<u>3,521.00</u>

The Company has outstanding borrowings as on September 30, 2025 Rs. 2766,00,00,000 (March 31, 2025 : Rs. 2766,00,00,000) Rs. from JSW Steel Limited bearing an interest rate of 10.65% compounded annually and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026)

The Company has outstanding borrowings as on September 30, 2025 Rs. Nil (March 31, 2025 : 378,00,00,000) from JSW Steel Limited bearing an interest rate of 10.60% compounded annually and is renewed for next 4 years (i.e June 30, 2029). Hence, reclassified as non current as on September 30, 2025.

The Company has outstanding borrowings as on September 30, 2025 Rs. 79,00,00,000 (March 31, 2025 : Nil.) from JSW Steel Limited bearing an interest rate of 10.65% compounded annually and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026)

The Company has outstanding borrowings as on September 30, 2025 Rs. 298,00,00,000 (March 31, 2025 : Nil.) from JSW Utkal Steel Limited bearing an interest rate of 11.00% compounded annually and is repayable after one year years from the date of respective disbursement date (i.e March 27, 2026)

**12. Trade payables**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
(a) Total outstanding, dues of micro and small enterprises	-	-

**Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company)**

Description	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Principal amount due outstanding as at end of year	-	-
Principal amount overdue more than 45 days	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	69.45	18.82
	<u>69.45</u>	<u>18.82</u>

**Ageing as at September 30, 2025**

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.16	69.29	-	-	69.45



Ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.07	18.75	-	-	18.82

Trade Payables are normally settled within 180 days.

Trade payables to related parties has been disclosed in note 23.

13. Other current financial liabilities		Rs. in crores	
Particulars	As at September 30, 2025	As at March 31, 2025	
Interest accrued but not due on borrowings	480.47	289.58	
	480.47	289.58	

14. Other current liabilities		Rs. in crores	
Particulars	As at September 30, 2025	As at March 31, 2025	
Advance from customer	-	-	
Statutory liabilities	0.06	203.51	
	0.06	203.51	

15. Revenue from operations		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Sale of traded goods	45.31	619.18	
	45.31	619.18	

Ind AS 115 (Revenue from contracts with customers)

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

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure :

		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Revenue from contracts with customer - sale of products			
Trading of steel products	45.31	619.18	
Total revenue from operations	45.31	619.18	
India	45.31	619.18	
Outside India	-	-	
Total revenue from operations	45.31	619.18	
Timing of revenue recognition			
At a point in time	45.31	619.18	
Total revenue from operations	45.31	619.18	

Contract balances		Rs. in crores	
Particulars	As at September 30, 2025	As at September 30, 2024	
Trade receivables (refer note 4)	69.46	320.75	
Contract Liabilities	-	-	
Advance from customers	-	-	

Credit period on sale of goods ranges from 7 to 120 days with or without security.

16. Other income		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Interest Income earned - compulsory convertible debentures (CCDs)	321.21	303.04	
Interest Income earned on financial assets designated as amortised cost	-	-	
Commission earned on pledge of shares	2.23	-	
Bank Deposits	0.86	-	
Gain on disposal/ Fair Valuation of Mutual Funds	0.04	-	
Other miscellaneous income	0.02	2.86	
	324.36	305.90	



17. Purchase of stock-in-trade		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Purchase of traded goods	45.20	618.03	
	45.20	618.03	

18. Finance costs		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Interest on borrowings	190.71	178.18	
	190.71	178.18	

19. Other expenses		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Legal and professional fees	0.32	0.24	
Miscellaneous expenses	0.00	0.00	
	0.32	0.24	

a) Remuneration to auditors included in legal and professional Fees

Statutory audit fees (including limited reviews)	0.09	0.10
For certification and other services	-	-

20. Earnings per share		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Profit attributable to equity shareholders (Rs. in crores) (A)	99.86	96.25	
Weighted average number of equity shares for basic EPS (B)	5,87,73,64,000	6,10,00,00,000	
Weighted average number of equity shares for diluted EPS (C)	5,87,73,64,000	6,10,00,00,000	
Earnings per share			
Basic EPS (Amount in Rs.) (A/B)	0.17	0.16	
Diluted EPS (Amount in Rs.) (A/B)	0.17	0.16	

21. Income Tax

A. Income Tax expense		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Current tax	33.59	32.37	
Deferred tax	-	0.01	
Total tax expense	33.59	32.38	

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

		Rs. in crores	
Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024	
Effective tax rate reconciliation			
Profit before tax	133.45	128.63	
Enacted tax rate in India	25.17%	25.17%	
Expected income tax expense at statutory tax rate	33.59	32.37	
Tax effect of expenses not deductible in determining taxable profits			
Deferred tax	-	0.01	
Tax expense for the year	33.59	32.38	
Effective income tax rate	25.17%	25.17%	





**B. Deferred tax asset (net)**
**Rs. in crores**

Deferred tax balance in relation to	As at 01-Apr-25	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 30-Sept-25
Others	0.02	-	-	0.02
	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>0.02</b>

Deferred tax balance in relation to	As at 01-Apr-24	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 30- Sept-24
Others	0.02	0.01	-	0.03
	<b>0.02</b>	<b>0.01</b>	<b>-</b>	<b>0.03</b>

**22. Related party disclosures as required by Ind AS 24**
**A. Name of Related Parties**
**1. Holding Company**

JSW Steel Limited

**2. Subsidiary Company**

Bhushan Power &amp; Steel Limited

JSW Kalinga Steel Limited

**3. Fellow Subsidiary Companies**

JSW Steel Coated Products Limited

JSW Utkal Steel Limited

National Steel and Agro Industries Limited (merged with JSW Steel Coated Products Limited wef October 3, 2024)

NSL Green Steel recycling Limited

**4. Key Management Personnel**

Mr. Kaustubh Kulkarni

Chief Executive Officer

Mr. Mohit Goyal

Chief Financial Officer

 Mr. Alok Kumar Mishra (upto 2<sup>nd</sup> September 2024)

Company Secretary

 Mrs. Ruchika Shah (wef 22<sup>nd</sup> October 2024)

Company Secretary

**5. Board of Directors**

Mr. Manoj Kumar Mohta

Non-Independent Non-Executive Director

Mr. Anil Kumar Singh

Non-Independent Non-Executive Director

Mr. Divyakumar Bhair

Non-Independent Non-Executive Director

Mr. Anunay Kumar

Independent Non-Executive Director

Dr. (Mrs.) Rakhi Jain

Independent Non-Executive Director

**6. Other related party**

JSW Shipping &amp; Logistics Private Limited

**B. Transactions with related parties**
**Rs. in crores**

Particulars	For the period ended September 30, 2025	For the period ended September 30, 2024
<b>Bhushan Power &amp; Steel Limited</b>		
Interest income	321.21	303.03
Commission on pledge	2.23	-
Dividend Income	-	-
Other charges	0.24	-
Guarantees and collaterals provided (no. of shares)	8,32,79,940 shares	8,32,79,940 shares
<b>JSW Steel Limited</b>		
Loan taken	57.00	97.00
Loan repaid	-	18.00
Finance costs	174.48	178.18
Purchase of steel products	45.20	618.03
Rent expense	0.01	0.00
<b>National Steel and Agro Industries Limited (Merged with JSW Steel Coated Products Limited)</b>		
Sales of steel products	-	619.18
<b>JSW Steel Coated Products Limited</b>		
Sales of steel products	45.31	-
Recovery of expenses	0.20	-
<b>NSL Green Steel Recycling Limited</b>		
Loan given	-	0.30
Loan given received back	-	0.30
Interest income	-	0.01
<b>JSW Utkal Steel Limited</b>		
Loan taken	-	-
Finance costs	16.43	-
<b>Director remuneration</b>		
Remuneration to Kaustabh Kulkarni*	0.00	0.00

\*Rs. 1000



**Notes:**

1. Transactions are inclusive of taxes wherever applicable.
2. The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company paid to them by way of sitting fees during the current period is Rs. 0.042 crores (previous period Rs. 0.044 crores), which is not included above.
3. 8,32,79,940 shares (as at 30 Sept 2025 8,32,79,940 shares) are pledged to the Bhushan Power & Steel Limited's banker (State Bank of India) to secure refinancing of term loan facility of 4,000 crores. (refer note 2)

**Terms and conditions**

**Sales :** The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. For the period ended 31 March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

**Purchases :** The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

**C. Balances with related parties**

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
<b>Bhushan Power &amp; Steel Limited</b>		
Interest receivable	2,294.22	2,005.13
Commission on pledge of shares receivable	2.23	-
Other Payables	-	0.22
Pledge of equity shares (no. of shares)	8,32,79,940 shares	8,32,79,940 shares
<b>JSW Steel Limited</b>		
Loan outstanding	3,280.00	3,223.00
Interest payable	463.71	289.26
Trade payables	69.26	18.49
<b>JSW Steel Coated Products Limited</b>		
Trade receivables	43.47	14.41
<b>National Steel and Agro Industries Limited (Merged with JSW Steel Coated Products Limited)</b>		
Trade receivables	27.84	27.84
<b>JSW Utkal Steel Limited</b>		
Loan outstanding	298.00	298.00
Interest payable	16.76	0.32
<b>JSW Shipping &amp; Logistics Private Limited</b>		
Interest payable	-	-

**23. Financial Instruments****23.1 Capital Risk Management**

The Company maintains a strong credit rating through optimum mix of debt and equity. The principal source of funding of the Company is from inter corporate loans, capital markets and investors. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio. The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Particulars	Rs. in crores	
	As at September 30, 2025	As at March 31, 2025
Borrowings	3,578.00	3,521.00
Less: Cash and cash equivalent	(0.15)	(151.92)
<b>Net debt</b>	<b>3,577.85</b>	<b>3,369.08</b>
<b>Total equity</b>	<b>6,832.17</b>	<b>6,732.31</b>
<b>Gearing ratio</b>	<b>0.52</b>	<b>0.50</b>

Equity includes all capital and reserves of the Company that are managed as capital and debt is defined as long and short term borrowings as disclosed in Note 10 and 11.

**23.2 Categories of financial instruments**

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

As at September 30, 2025

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	69.46	-	69.46	69.46
Cash and cash equivalents	0.15	-	0.15	0.15
Other financial assets	2,296.91	-	2,296.91	2,296.91
<b>Total</b>	<b>2,366.52</b>	<b>-</b>	<b>2,366.52</b>	<b>2,366.52</b>
<b>Financial liabilities</b>				
Long term borrowings (including current maturities)	3,578.00	-	3,578.00	3,578.00
Trade payables	69.45	-	69.45	69.45
Other financial liabilities	480.47	-	480.47	480.47
<b>Total</b>	<b>4,127.92</b>	<b>-</b>	<b>4,127.92</b>	<b>4,127.92</b>

As at March 31, 2025

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	13.33	-	13.33	13.33
Cash and cash equivalents	151.92	-	151.92	151.92
Other financial assets	2,005.73	-	2,005.73	2,005.73
<b>Total</b>	<b>2,170.98</b>	<b>-</b>	<b>2,170.98</b>	<b>2,170.98</b>
<b>Financial liabilities</b>				
Long term borrowings (including current maturities)	3,521.00	-	3,521.00	3,521.00
Trade payables	18.82	-	18.82	18.82
Other financial liabilities	289.58	-	289.58	289.58
<b>Total</b>	<b>3,829.40</b>	<b>-</b>	<b>3,829.40</b>	<b>3,829.40</b>



#### 24. Fair value hierarchy of financial instruments

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature. A significant part of the financial assets is classified as Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in debt securities, accordingly, any material volatility is not expected.

##### Details of financial assets/liabilities measured at amortised cost but fair value disclosed in category-wise

Particulars	Level and valuation techniques	Rs. in crores	
		As at September 30, 2025	As at March 31, 2025
Long term borrowings (Including current maturities)	Level 2, estimated by discounting expected		
Carrying value	future cash flows using a discount rate	3,578.00	3,521.00
	equivalent to the risk-free rate of return		
Fair value	adjusted for credit spread considered by lenders for instruments of similar maturities.	3,578.00	3,521.00

#### 24.1 Market risk management

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### 24.2 Interest risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees with fixed rates of interest.

#### 24.3 Liquidity risk management

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

##### As at September 30, 2025

Particulars	Rs. in crores			
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivables	69.38	0.08	-	69.46
Cash and cash equivalents	0.15	-	-	0.15
Other financial assets	2,296.91	-	-	2,296.91
Total	2,366.44	0.08	-	2,366.52
Financial liabilities				
Borrowings	3,143.00	435.00	-	3,578.00
Trade payables	69.45	-	-	69.45
Other financial liabilities	480.47	-	-	480.47
Total	3,692.92	435.00	-	4,127.92

##### As at March 31, 2025

Particulars	Rs. in crores			
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivables	13.33	-	-	13.33
Cash and cash equivalents	151.92	-	-	151.92
Other financial assets	2,005.73	-	-	2,005.73
Total	2,170.98	-	-	2,170.98
Financial liabilities				
Borrowings	3,521.00	-	-	3,521.00
Trade payables	18.82	-	-	18.82
Other financial liabilities	289.58	-	-	289.58
Total	3,829.40	-	-	3,829.40

#### 24.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Currently, the Company has limited customer base. The Company selects customers after due diligence based on creditworthiness as a means of mitigating the risk of financial loss from defaults.

#### 25. Segment reporting

The Company is in the business of steel products trading activity, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

##### a. Revenue from operations

Particulars	Rs. in crores	
	For the period ended September 30, 2025	For the period ended September 30, 2024
Domestic	45.31	619.18
	45.31	619.18

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

##### b. Non-current assets

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

##### c. Customer contributing more than 10% of Revenue

Particulars	Rs. in crores	
	For the period ended September 30, 2025	For the period ended September 30, 2024
JSW Steel Coated Products Limited	45.31	-
National Steel and Agro Industries Limited (merged with JSW Steel Coated Products Limited wef October 3, 2024)	-	619.18
	45.31	619.18



**26. Contingent Liabilities**

The Company does not have any contingent liabilities as on September 30, 2025 (March 31, 2025 : NIL).

27. Previous period's figures have been reclassified/regrouped, wherever necessary, to confirm with the current period classification in comply with requirements of the amended Schedule III to the Companies Act, 2013.

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W

*Parth P Patel*

Parth P Patel

Partner

Membership No.: 172670

UDIN: 25172670BMKVU2826

Place: Mumbai

Date: 26th November, 2025



For and on behalf of the Board of Directors

*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Ahil-Kumar Singh*  
Ahil-Kumar Singh  
Director  
DIN: 02059903

*Ruchika*  
Ruchika Rushik Shah  
Company Secretary  
M. No. FCS9114

*Mohit*  
Mohit Goyal  
Chief Financial Officer



# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **DIRECTORS' REPORT**

The Members,  
**PIOMBINO STEEL LIMITED,**

Your Directors take pleasure in presenting the **SEVENTH ANNUAL REPORT** of your Company, together with the Audited Financial Statements for the year ended March 31, 2025.

### **1. FINANCIAL SUMMARY:**

<b>(Amount in Crores)</b>		
<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
i. Revenue from operations	604.59	644.86
ii. Other income	2,285.30	595.12
<b>iii. Total Income (i+ii)</b>	<b>2,889.89</b>	<b>1239.98</b>
<b>iv. Expenses:</b>		
Purchase of Stock-in-trade	603.44	639.53
Finance Cost	359.24	332.60
Change in Inventory of Stock-in trade	-	4.18
Other expenses	4.48	2.44
<b>Total Expenses</b>	<b>967.16</b>	<b>978.75</b>
<b>v. Profit/ (Loss) before Tax (iii-iv)</b>	<b>1,922.73</b>	<b>261.24</b>
<b>vi. Tax expenses</b>		
Current tax	62.91	66.24
Deferred tax	0.01	0.01
<b>Profit/ (Loss) for the year (v-vi)</b>	<b>1,859.81</b>	<b>194.98</b>

### **2. FINANCIAL HIGHLIGHTS AND OPERATIONAL PERFORMANCE:**

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substance, alloys and metal scraps of all kinds. The Company earned revenue of Rs. 604.59 crores from trading of steel products and Rs. 2,285.30 crores from interest and dividend income for the financial year under review. The Company has reported net profit for the F.Y. 2024-25 of Rs. 1,859.81 crores after providing for tax expense as compared to Rs. 194.98 crores in FY 2023-24.

### **3. CHANGE IN THE NATURE OF BUSINESS:**

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

### **4. DIVIDEND:**

To maintain the liquidity of funds for meeting the future financial requirements of the Company, the Board of Directors has decided not to declare any dividend for the financial year 2024-25

### **5. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (j) OF THE COMPANIES ACT, 2013:**

Your directors do not propose to carry any amount to any reserves during the period under review.



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**6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**7. DEPOSITS:**

Your Company has not accepted or renewed any deposits within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014 and the rules made thereunder.

**8. SHARE CAPITAL:**

The Authorised Share Capital of the Company is Rs.17000,00,00,000/- (Rupees Seventeen Thousand Crores Only) divided into 1200,00,00,000 (One Thousand Two Hundred Crores only) Equity Shares of Rs.10/- each (Rupees Ten only) and 500,00,00,000 (Five Hundred Crores only) Preference Shares of Rs.10/- (Rupees Ten only) each. The Paid-Up Share Capital of the Company is Rs. 5877,36,40,000/- (Rupees five thousand eight hundred seventy-seven crore thirty-six lakhs forty thousand only) divided into 587,73,64,000 (Five Hundred eighty-seven crores seventy-three lakhs sixty-four thousand) Equity Shares of Rs. 10/- each.

**Issue of Equity Shares:**

During the year under review, the Company has not issued any equity shares.

**Buy Back of Equity Shares:**

The Company has bought back 22,26,36,000 equity shares on 25<sup>th</sup> March,2025. Accordingly, the Company's paid up capital has reduced from Rs. 6100,00,00,000/- (Rupees Sixty-One Hundred Crore only) divided into 610,00,00,000 (Six Hundred Ten Crore) Equity Shares of Rs. 10/- each to Rs. 5877,36,40,000/- (Rupees five thousand eight hundred seventy-seven crore thirty-six lakhs forty thousand only) divided into 587,73,64,000 (Five Hundred eighty-seven crores seventy-three lakhs sixty-four thousand) Equity Shares of Rs. 10/- each.

**Subsidiary of JSW Steel Limited:**

JSW Steel Limited holds 82.65% equity and JSLPL holds 17.35% equity in the Company.

**a) Issue of Equity Shares with Differential Rights**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.



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## **b) Issue of Sweat Equity Shares**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

## **c) Issue of Employee Stock Options**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

## **9. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **1. BOARD OF DIRECTORS:**

#### **a) COMPOSITION & CONSTITUTION OF BOARD OF DIRECTORS:**

The Board of your Company currently comprises of five Directors, namely Mr. Anil Kumar Singh (DIN: 02059903), Mr. Divyakumar Vimalkumar Bhair (DIN: 08568679), Mr. Manoj Kumar Mohta (DIN: 02339000), Mr. Anunay Kumar (DIN: 01647407), Independent Director and Dr. Rakhi Jain (DIN: 07138042), Independent Director.

According to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Divyakumar Vimalkumar Bhair (DIN: 08568679) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for reappointment. The necessary resolution proposing the appointment of aforesaid Director has been incorporated in the Notice of the ensuing Annual General Meeting for your approval.

#### **b) BOARD MEETING & ATTENDANCE:**

During the period under review, meeting of the Board of Directors was held 7 times on 07.05.2024, 12.07.2024, 22.10.2024, 21.01.2025, 11.03.2025, 22.03.2025 and 27.03.2025. The detail of the participation of Directors thereat is enumerated as below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting Attended</b>
1..	Mr. Anil Kumar Singh	07	06
2.	Mr. Manoj Kumar Mohta	07	03
3.	Mr. Divyakumar Vimalkumar Bhair	07	04
4.	Mr. Anunay Kumar	07	06
5.	Dr. Rakhi Jain	07	07

The intervening gap between the Board meetings was within the period prescribed under the Companies Act, 2013.

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## **c) DECLARATION BY THE INDEPENDENT DIRECTORS**

The Board comprised of Mr. Anunay Kumar and Dr. Rakhi Jain as Independent Directors. The Company has received the necessary declaration from each of the Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act. The Independent Directors had 01 (One) Meeting during the period under review.

## **d) CHANGES IN KEY MANAGERIAL PERSONNEL**

During the period under review, there is no change in Key Managerial Personnel (KMP) of the Company.

## **10. COMPOSITION OF VARIOUS BOARD COMMITTEES**

### **i. Audit Committee**

Audit Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Divyakumar Vimalkumar Bhair and Dr. Rakhi Jain as members of Audit Committee. The Board has approved the charter for the functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Audit Committee was held 06 times on 07.05.2024, 12.07.2024, 22.10.2024, 21.01.2025, 11.03.2025 and 27.03.2024. The detail of the participation of members thereat is enumerated as below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting Attended</b>
1.	Mr. Anunay Kumar	06	05
2.	Mr. Divyakumar Vimalkumar Bhair	06	04
3.	Dr. Rakhi Jain	06	06

### **ii. Nomination and Remuneration Committee**

Nomination and Remuneration Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Nomination & Remuneration Committee was held 02 times on 07.05.2024 and 22.10.2024. The detail of the participation of members thereat is enumerated as below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting Attended</b>
1.	Mr. Anunay Kumar	02	01
2.	Mr. Anil Kumar Singh	02	02
3.	Dr. Rakhi Jain	02	02

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## iii. Corporate Social Responsibility Committee

Corporate Social Responsibility Committee comprises of Dr. Rakhi Jain as Chairperson, Mr. Anil Kumar Singh and Mr. Anunay Kumar as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the CSR Committee of Board of Directors was held 01 time on 07.05.2024. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Dr. Rakhi Jain	01	01
2.	Mr. Anil Kumar Singh	01	01
3.	Mr. Anunay Kumar	01	01

## iv. Finance Committee

The Finance Committee of the Board of Directors comprises of Mr. Anil Kumar Singh as Chairman, Mr. Manoj Kumar Mohta and Mr. Divyakumar Vimalkumar Bhair as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, there was no meeting of the Finance Committee of Board of Directors held.

## v. Risk Management Committee

Risk Management Committee of Board of Directors was constituted on May 24, 2022 comprising of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board had approved the charter for the functioning of the Committee. The Company Secretary acted as the Secretary to the Committee.

The Company has redeemed its Listed, Rated, Unsecured, Non-redeemable, Non-Convertible Bonds (NCBs) of Rs.10 lakhs each aggregating to Rs. 2,500 crores in full on its redemption date i.e. March 22, 2024 and also got approval from the BSE Limited for delisting of its NCBs from Stock Exchange. Hence the company has become unlisted company and respective provisions of SEBI (LODR) Regulations, 2015, will no longer be applicable on it, therefore continuation of aforesaid Committee is no more required. Hence the Risk Management Committee has been dissolved w.e.f May 07, 2024.

## vi. Stakeholders Relationship Committee

Stakeholders Relationship Committee of Board of Directors was constituted on May 24, 2022 comprising of Dr. Rakhi Jain as Chairperson, Mr. Anunay Kumar and Mr. Anil Kumar Singh as members of the Committee. The Board had approved the charter for the functioning of the Committee. The Company Secretary acted as the Secretary to the Committee.

The Company has redeemed its Listed, Rated, Unsecured, Non-redeemable, Non-Convertible Bonds (NCBs) of Rs.10 laks each aggregating to Rs. 2,500 crore in full on

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its redemption date i.e. March 22, 2024 and also got approval from the BSE Limited for delisting of its NCBs from Stock Exchange. Hence the company has become unlisted company and respective provisions of SEBI (LODR) Regulations, 2015, will no longer be applicable on it, therefore continuation of aforesaid Committee is no more required. Hence the Stakeholders Relationship Committee has been dissolved w.e.f May 07, 2024.

## **11. HOLDING & SUBSIDIARY COMPANY:**

JSW Steel Limited holds 83.28% equity and JSW Shipping & Logistics Private Limited holds 16.72% equity in the Company. The Company is now a Subsidiary of JSW Steel Limited.

Bhushan Power & Steel Limited is wholly owned subsidiary of your Company w.e.f. March 26, 2021.

Presently, the Company neither has any Joint Venture nor Associate company.

## **12. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

During the year, no other companies have become or ceased to be subsidiaries, joint ventures or associate companies.

## **13. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:**

The members may refer to the financial statements forming part of the Annual Report as required under the provisions of Section 129(3) of the Companies Act, 2013 for financial position of all Subsidiaries.

A statement containing salient features of the financial statements of the Subsidiary Company in Form AOC-1 is given in '**Annexure-A**' to this Report.

## **14. INTERNAL CONTROL SYSTEM & INTERNAL FINANCIAL CONTROLS:**

### **a) Overview**

The Company has a robust system of internal control, commensurate with the size and nature of its business and complexity of its operations.

### **b) Internal Control:**

The Company has a proper and adequate system of Internal Control.

### **c) Internal Audit:**

The Company has a strong and independent internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Internal Audit team consists of professionally qualified accountants and engineers at the group level. The Internal Auditors reports directly to the Chairman of the Audit Committee.

### **d) Audit Plan and Execution**

At start of the year, the Internal Audit Department prepares an Annual Audit Plan after considering Business and Process Risks. The frequency of the audit is decided by risk

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ratings of areas/functions. The audit plan is carried out by the Internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend.

## **e) Internal Financial Controls**

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls.

The Company has already developed and implemented a framework for ensuring internal controls over financial reporting. During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

## **15. AUDITORS AND AUDITORS' REPORT:**

### **A. STATUTORY AUDITORS:**

M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No. 109574W) had been re-appointed as the Statutory Auditors of the Company on the 06<sup>th</sup> Annual General Meeting for a period of 5 years until the conclusion of 11<sup>th</sup> Annual General Meeting to be held in the calendar year 2029.

#### **Comment on Auditors' Report:**

The report of the Auditors along with notes to Schedules forms part of this Annual Report. The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Auditors' Report for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

No fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year under review does not contain any qualification, reservation, adverse remark, or disclaimer, except that there is a modification pertaining to maintenance of audit trail, as explained below.

### **B. SECRETARIAL AUDITORS:**

In terms of Section 204 of the Act, Board of Directors of the Company in their Meeting held on May 07, 2024 had appointed M/s MMJB & Associates LLP., Practicing Company Secretaries, as secretarial auditor to conduct a secretarial audit of the Company for the financial year 2024-25.

The Secretarial Audit report for financial year 2024-25 is annexed to this report in form MR-3 (**Annexure – B1**). The Secretarial Audit report for financial year 2024-25 of Bhushan Power & Steel Limited, wholly owned Subsidiary of the Company is also annexed to this report in Form MR-3 (**Annexure – B2**)



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The Board, at its meeting held on April 29, 2025 has on the recommendation of the Audit Committee appointed M/s Makarand M Joshi & Co., Company Secretaries, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2025-26.

## **16. RELATED PARTY TRANSACTIONS:**

All related party transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms' length basis and are in accordance with provisions of Section 177, 188 of the Companies Act, 2013. The details of contracts or arrangement as prescribed in Form AOC-2 attached as **Annexure - C**.

Suitable disclosure on related party transactions, as required by the Accounting Standards has been made in the notes to the Financial Statements.

## **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## **18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:**

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

## **19. PARTICULARS OF EMPLOYEES:**

The Disclosures pertaining to particulars of employees as required in terms of the Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company and hence, the disclosure on particulars of employees in terms of the aforesaid Section and Rules is not attached to the Directors' Report.

## **20. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Being part of JSW group, your Company follows an Anti-Sexual Harassment JSW Group Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up at group level to redress complaints received regarding sexual harassment. No complaints pertaining to sexual harassment were received during the FY 2024-25.

## **21. WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The Company has in place a mechanism in the form of the Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any.

## **22. RISK MANAGEMENT:**

The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the management.

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## **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Corporate Social Responsibility Policy is available on the website of the Company. Annual report on Corporate Social responsibility is enclosed as **Annexure – D**.

## **24. SECRETARIAL STANDARDS**

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been complied with by the Company during the financial year under review.

## **25. BOARD EVALUATION**

The Board carried out an annual evaluation of its own performance, the performance of the Independent Directors individually as well as an evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

## **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is not engaged in any manufacturing activity, particulars under section 134(3)(m) of the Companies Act, 2013, regarding the conservation of energy, technology absorption are not applicable.

There were no foreign exchange earnings / outgo during the year under review.

## **27. COPY OF ANNUAL RETURN**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and are accessible at the web-link: <https://www.jsw.in/groups/piombino-steel-limited>.

## **28. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) such accounting policies have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis; and

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- 
- e) proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## **APPRECIATION:**

Your Directors would like to express their appreciation for co-operation and assistance received from Government authorities, financial institutions, banks, vendors, customers, shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**



**Anil Kumar Singh**  
Chairman  
DIN: 02059903

Place: **Jharsuguda**  
Date: **April 29, 2025**

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## **ANNEXURE A**

### **FORM NO. AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### **Part "A": Subsidiaries**

(in Crores)

Sl. No.	1 (One)
Name of the subsidiary	Bhushan Power & Steel Limited
The date since when subsidiary was acquired	26.03.2021
Financial Year ending on	31.03.2025
Reporting Currency	INR
Exchange Rate on the last day of the financial year	N.A
Share capital	100.00
Reserves & Surplus	11,286.94
Total Assets	24,259.49
Total Liabilities	24,259.49
Investments	-
Turnover	21,679.58
Profit/(Loss) before tax	260.39
Provision for tax	-
Profit/(Loss) after tax	260.39
Interim Dividend	1676.45
% of shareholding	100.00

#### **Notes:**

1. No subsidiary is yet to commence operations.
2. No subsidiary has been liquidated or sold during the year.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**

Place: **Jharsuguda**  
Date: **April 29, 2025**

  
**Anil Kumar Singh**  
Chairman  
DIN: 02059903

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**ANNEXURE B1**



# PIOMBINO STEEL LIMITED

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**ANNEXURE B2**

# PIOMBINO STEEL LIMITED

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Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **ANNEXURE C**

### **FORM NO. AOC-2**

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

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:-

No	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
(Nil)								
(All contracts or arrangements or transactions with related parties were at arm's length basis)								

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:-

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
1.	JSW Steel Limited	Trading of Steel Products	Annual	Rs. 603.44 crores	Approved by Audit Committee	Nil
2.	JSW Steel Coated Products Limited	Trading of Steel Products	Annual	* Rs. 604.59 crores	Approved by Audit Committee	Nil

Note: Refer the related party transactions under Ind AS at Note No 23 of the financial statements of 2024-25.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**



**Anil Kumar Singh  
Chairman  
DIN: 02059903**

Place: **Jharsuguda**  
Date: **April 29, 2025**

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Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **Annexure D to Directors Report** **Annual Report on Corporate Social Responsibility Activities**

1. Brief outline on CSR Policy of the Company.

CSR policy, reflecting ethos of the Company, broad areas of CSR interest and overview of activities, proposes rural focus and woman empowerment.

Policy states the list of activities/projects undertaken/to be undertaken in future.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Mrs.) Rakhi Jain	Chairperson	01	01
2.	Mr. Anil Kumar Singh	Member	01	01
3.	Mr. Anunay Kumar	Member	01	01

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. [www.jsw.in/groups/piombino-steel-limited](http://www.jsw.in/groups/piombino-steel-limited).
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable **Not Applicable**
5. (a) Average net profit of the Company as per sub-section (5) of Section 135 ₹ **185.59. Cr**
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 ₹ **371.19 Lac**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. **Nil**
- (d) Amount required to be set-off for the financial year, if any **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ **371.19 Lac.**
6. (a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project): ₹ **371.19.**
- (b) Amount spent in Administrative Overheads : **Nil**
- (c) Amount spent on Impact Assessment, if applicable. **Nil**

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(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. **₹ 371.19.**

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of Section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
<b>₹371.19 Lacs</b>	<b>Nil</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

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

Sl. No	Particular	Amount (in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	<b>₹ 371.19</b>
(ii)	Total amount spent for the Financial Year	<b>₹ 371.19</b>
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	<b>Nil</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	<b>Nil</b>
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	<b>Nil</b>

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

1	2	3	4	5	6	7	8
Sl No	Proceeding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs)	Balance Amount in Unspent CSR Account under sub - section (6) of Section 135 (in Rs)	Amount spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub - section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer	

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1.	FY-1	NIL	NIL	NIL	NIL	NA	NIL	NA
2.	FY-2							
3.	FY-3							

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

	Yes		No
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If yes, enter the number of Capital assets created / acquired :

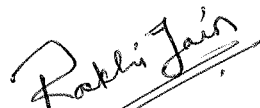
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	Name	Registered address

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

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

For and on behalf of the Board of Directors



**Dr. Rakhi Jain**  
(Chairperson CSR Committee)



**Anil Kumar Singh**  
(Director)



# *MMJB & Associates LLP*

## Company Secretaries

803-804, 8th Floor, Ecstasy, Citi of Joy, JSD Road, Mulund West, Mumbai 400080, (T) 022-31008600  
LLPIN: AAR-9997

FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2025

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

To,  
The Members,  
**Piombino Steel Limited**  
6th Floor, Grande Palladium, 175, CST Road,  
Kolivery Village MMRDA Area Kalina,  
Santacruz East, Mumbai-400098 Maharashtra

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

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2025 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there





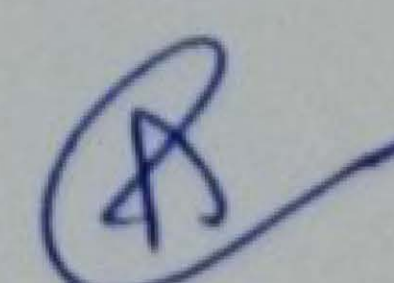
under;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings, Overseas Direct Investment and Foreign Direct Investment (**Not applicable to the Company during the Audit Period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable to the Company during the Audit Period**)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (**Not Applicable to the Company during the Audit Period**)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable to the Company during the Audit Period**)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable to the Company during the Audit Period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit Period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not Applicable to the Company during the Audit Period**) and
- (vi) As identified, no law is specifically applicable to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder, (**Not Applicable to the Company during the Audit Period**)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.







**We further report that**

The Board of Directors of the Company is duly constituted. There were no changes in the composition of the Board of Directors during the audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in few instances where meeting is convened at a shorter notice for which necessary approvals obtained as per applicable provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period:

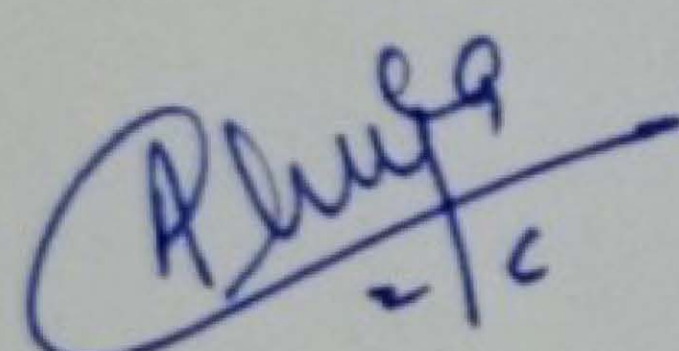
1. The Company has bought-back 22,26,36,000 (Twenty-two crores twenty-six lakhs thirty-six thousand only) Equity Shares of INR 10/- each at a price of INR 75.30/- (Rupees Seventy-Five and Paise Thirty only) per share resulting in an outlay of an amount of INR 1676.45 Crores (Rupees One Thousand Six Hundred Seventy-Six Crores and Forty-Five Lakhs Only), in accordance of Section 68 of the Companies Act, 2013.

**For MMJB & Associates LLP**

**Company Secretaries**

ICSI UIN: L2020MH006700

Peer Review No.: 2826/2022



**Bhavisha Jewani**  
**Designated Partner**

FCS: 8503

CP: 9346

UDIN: F008503G000229416



**Date:** April 29, 2025

**Place:** Mumbai

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

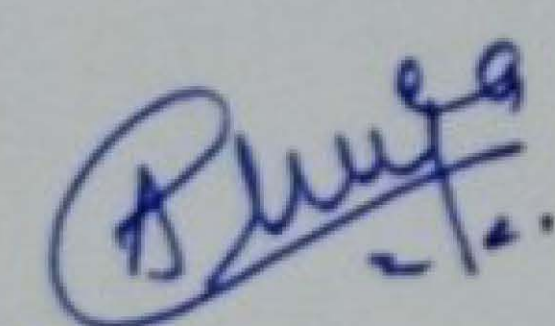


To  
The Members,  
**Piombino Steel Limited**  
6th Floor, Grande Palladium, 175, CST Road,  
Kolivery Village MMRDA Area Kalina,  
Santacruz East, Mumbai-400098 Maharashtra

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For MMJB & Associates LLP**  
**Company Secretaries**  
ICSI UIN: L2020MH006700  
Peer Review No.: 2826/2022

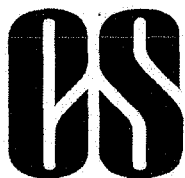


**Bhavisha Jewani**  
**Designated Partner**  
FCS: 8503  
CP: 9346  
UDIN: F008503G000229416



**Date:** April 29, 2025  
**Place:** Mumbai





*S. Srinivasan & Co.,*  
Company Secretaries

**Registered office address:** Ground. Floor,  
Hari Krupa, 71/1, Mc Nicholas Road,  
Chetpet, Chennai -600031 Contact:  
9841092661  
E-mail: [ssrini50@gmail.com](mailto:ssrini50@gmail.com)

**FORM NO. MR- 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

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

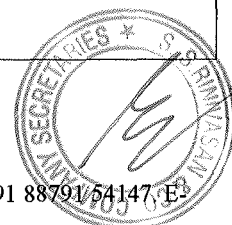
To,  
The Members,  
**BHUSHAN POWER & STEEL LIMITED**  
4th Floor, A-2, NTH Complex  
Shaheed Jeet Singh Marg USO Road,  
Qutab Institutional Area, New Delhi  
DL 110067.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHUSHAN POWER & STEEL LIMITED** bearing CIN: U27100DL1999PLC108350 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025 by and large appears to have complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025, according to the provisions of:

- i. The Companies Act, 2013, (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made there under (**Not Applicable to the Company during the period under review**).
- iii. The Depositories Act, 1996, and the Regulations and Byelaws framed there under.



- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992; ('SEBI Act') are not applicable to the Company during the period under review as the Company is an unlisted company.
- vi. All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

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

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 has been generally complied with by the Company during the financial year under review.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

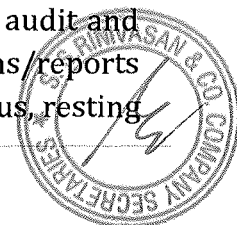
**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors were carried through based on majority and there were no dissenting views by any Member of the Board during the year under review.

**We further report that,**

Based on the information provided and the representation made by the Company and on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Whole-time Director taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has/have not been reviewed in this Audit since the same has/have been subject to review by statutory financial audit and other designated professionals. We also confirm that wherever documents/returns/reports were certified by other designated professionals, they have not been scrutinized by us, resting

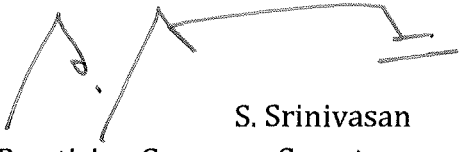


on the authenticity on the contents of these documents/returns/reports and, hence, we have accepted them on as-is-what-is basis.

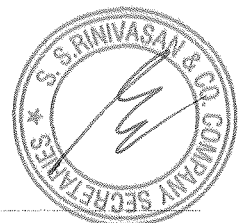
**We further report that,** during the audit period, except the events listed below no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc.

1. The Hon'ble Supreme Court, in its ruling on JSW Steel's acquisition of Bhushan Power & Steel Ltd. under the Insolvency and Bankruptcy Code, 2016 (IBC), has reaffirmed that, as per Section 32A, resolution applicants are granted immunity from antecedent criminal liabilities of the corporate debtor. This judgment upholds the clean slate doctrine, ensuring that past offenses of the corporate debtor do not impact successful resolution applicants.
2. The Company proposes to raise fresh loan of Rs. 4500 crores towards strengthening the working capital position of the Company and to partly recoup the internal accruals deployed towards CAPEX and thereby inter alia use the same towards declaring dividend on the equity shares.
3. The Company has declared an interim dividend at the rate of Rs 167.645 per fully paid equity share (1676.45% per fully paid equity share) of the company amounting to Rs.1676.45 crores for the period ended 31.12.2024.
4. The Company has entered into a long-term coal supply agreement for the next 15 years with M/s Jhar Minerals Private Limited (related party) for procurement of thermal coal transaction value estimated to be Rs. 896 crores and has provided a security deposit of Rs. 163 crores.
5. Mr. Alok Kumar Mishra Company Secretary & Compliance Officer of the Company has resigned from the company during the period of review.
6. Ms. Ruchika Shah has been appointed as Company Secretary of the Company w.e.f. 17.10.2024.

For *S. Srinivasan & Co.,*  
Company Secretaries

  
S. Srinivasan  
Practicing Company Secretary  
FCS: 2286 | CP. No.: 748  
UDIN:F002286G000146848

Place: Mumbai  
Date: 18.04.2025



**Annexure A**

To,

The Members,

**BHUSHAN POWER & STEEL LIMITED**

4th Floor, A-2, NTH Complex

Shaheed Jeet Singh Marg USO Road,

Qutab Institutional Area, New Delhi

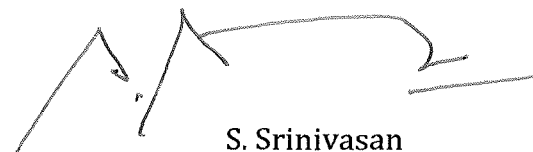
DL 110067.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For *S. Srinivasan & Co.*,

Company Secretaries



S. Srinivasan

Practicing Company Secretary

FCS: 2286 | CP. No.: 748

UDIN: **F002286G000146848**

Place: Mumbai

Date: 18/04/2025



# Shah Gupta & Co.

## Chartered Accountants

### Independent Auditors' Report

#### To the Members of Piombino Steel Limited

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying Standalone Financial Statements of Piombino Steel Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss including the statement of other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act"), as amended, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

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

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

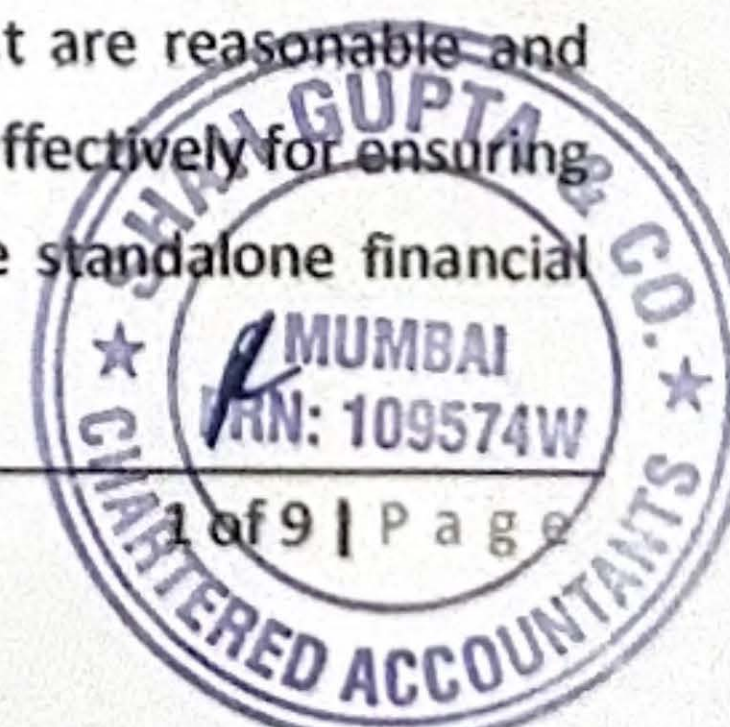
The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

##### Responsibilities of the Management for the Standalone Financial Statements

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





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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements and Board of Directors use of the going concern basis of accounting in preparation of financial statement 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

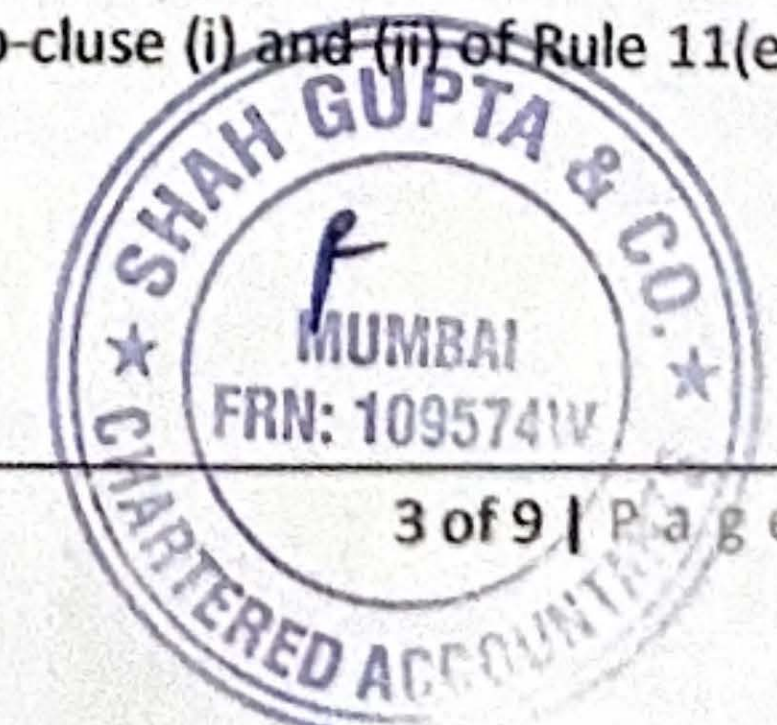
#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report that:





- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g. In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position in standalone financial statements - Refer Note 27 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation 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 and paid dividend during the year.

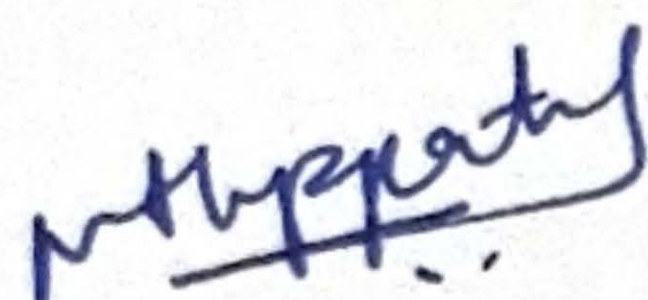




- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

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



**Parth P Patel**  
M. No. 172670  
UDIN: 25172670BMKVEF4926  
Place: Mumbai  
Date: April 29, 2025





## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Piombino Steel even date

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

- (i) (a) (A) The Company does not have property, plant and equipment and accordingly, reporting under paragraph 3 (i) (a) (A) of the Order is not applicable.  
(B) The Company does not have any Intangible assets and accordingly, reporting under paragraph 3 (i) (a) (B) of the Order is not applicable.
- (b) The Company does not have property, plant and equipment and accordingly, reporting under paragraph 3 (i) (b) of the Order is not applicable to the Company.
- (c) The Company does not hold any immovable property during the year. Accordingly, reporting under paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated during the year or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) (a) The Company does not have inventories. Accordingly, reporting under clause 3 (ii) (a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- (iii) (a) During the year, the Company has given unsecured loan, the details of which are given below:

(Rs. in crores)

Particulars	Loan
<b>A. Aggregate amount granted during the year</b>	
- Related Party	0.30
<b>B. Balance outstanding as at balance sheet date in respect of above cases</b>	
- Related Party	Nil

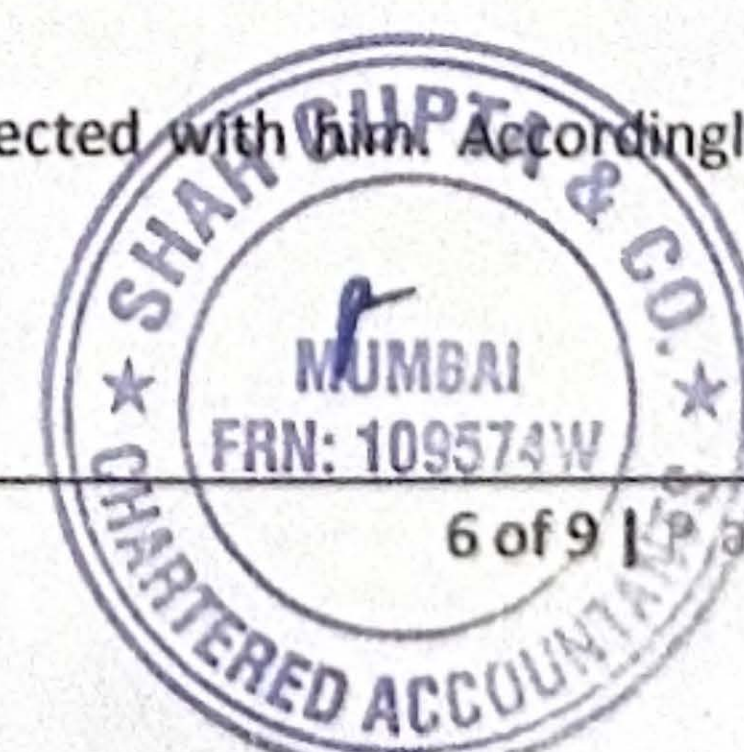
The Company has not made any investments or provided any guarantee or securities or advances in the nature of loans to any other entity during the year.

- (b) During the year, the terms and conditions of the loan given are not prejudicial to the Company's interest. The Company has not made investments or provided guarantee, security or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans / advances in nature of loans which were granted to same parties and which fell due during the year and were renewed/extended. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under clause 3 (iii) (f) of the Order is not applicable to the Company.





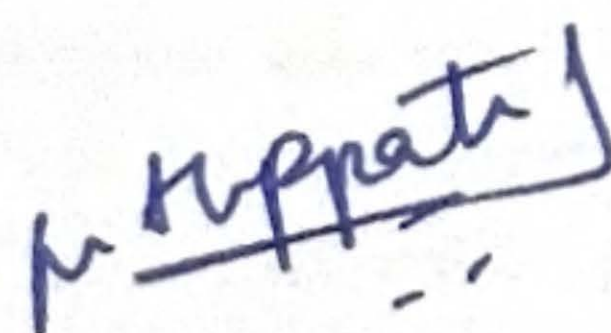
- (iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185. The Company has complied with the provisions of Sections 186 of the Act in respect of the loan given during the year.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the products by the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii)
  - (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. There are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a year of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.
- viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix)
  - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
  - (b) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
  - (c) The money raised by way of the term loans have been applied by the Company during the year for the purpose for which it was raised.
  - (d) We report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- (x)
  - (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable to the Company.
  - (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- (xi)
  - (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
  - (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) No whistle-blower complaints have been received during the year by the Company.
- (xii) The Company is not a Nidhi company as per the provisions of the Act. Accordingly, reporting under clause 3 (xii) (a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv)
  - (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
  - (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order is not applicable to the Company.





- (xvi) (a) As described under note 29 of the standalone financial statements, for FY 2024-2025, the Company does satisfies the Principal Business Test considering the Dividend income received from its subsidiary. However, as explained to us by the management, the Company does not have the intent or plan to commence or carry on the business of NBFC. The Company is in the process of communicating relevant information/details to the Reserve Bank of India for obtaining necessary clarification/waiver in this regard.
- (b) The Company has not conducted non-banking financial / housing finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.
- (d) We have been informed by the management that as at March 31, 2025 as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause (xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios (Also refer Note no.28 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a year 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 year of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of Order is not applicable to the Company.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (b) of Order is not applicable to the Company.
- (xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said paragraph has been included in this report.

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

  
**Parth P Patel**  
M. No. 172670  
UDIN: 25172670BMKVEF4926  
Place: Mumbai  
Date: April 29, 2025





## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

### **Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Piombino Steel Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone 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 system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system over financial reporting with reference to these standalone financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with

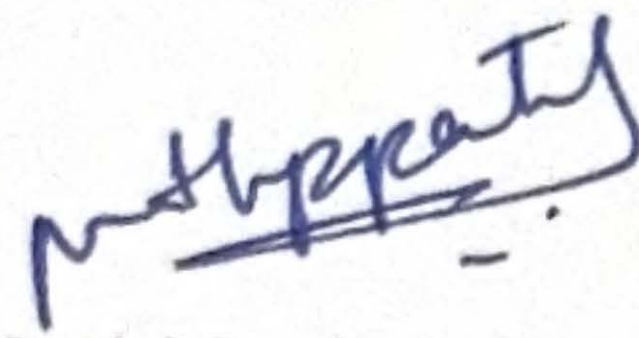


reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, 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 these standalone financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to standalone 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.

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



Parth P Patel  
M. No. 172670  
UDIN: 25172670BMKVEF4926  
Place: Mumbai  
Date: April 29, 2025





**PIOMBINO STEEL LIMITED**  
**Standalone Balance Sheet as at March 31, 2025**  
**CIN No. - U27320MH2018PLC374653**

Particulars	Notes	Rs. in crores	
		As at March 31, 2025	As at March 31, 2024
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Investment in subsidiary	2	8,550.00	8,550.00
(b) Deferred tax assets (net)	22(B)	0.02	0.03
(c) Current tax assets (net)	3	19.56	26.39
<b>Total non-current assets</b>		<b>8,569.58</b>	<b>8,576.42</b>
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Trade receivables	4	13.33	117.49
(ii) Cash and cash equivalents	5	151.92	1.19
(iii) Other financial assets	6	2,005.73	1,461.45
(b) Other current assets	7	24.66	25.67
<b>Total current assets</b>		<b>2,195.64</b>	<b>1,605.80</b>
<b>Total assets</b>		<b>10,765.22</b>	<b>10,182.22</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	8	5,870.28	6,092.92
(b) Other equity	9	862.03	456.03
<b>Total Equity</b>		<b>6,732.31</b>	<b>6,548.95</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10	-	3,256.27
(ii) Other financial liabilities	11	-	35.89
<b>Total non-current liabilities</b>		<b>-</b>	<b>3,292.16</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	3,521.00	-
(ii) Trade payables			
(a) Total outstanding due of micro and small enterprises	13	-	-
(b) Total outstanding due of creditors other than micro and small enterprises		18.82	115.10
(iii) Other financial liabilities	14	289.58	134.51
(b) Other current liabilities	15	203.51	91.50
<b>Total current liabilities</b>		<b>4,032.91</b>	<b>341.11</b>
<b>Total liabilities</b>		<b>4,032.91</b>	<b>3,633.27</b>
<b>Total equity and liabilities</b>		<b>10,765.22</b>	<b>10,182.22</b>

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

**For Shah Gupta & Co.**

Chartered Accountants

Firm Registration No.: 109574W

**Parth P Patel**

Partner

Membership No.: 172670

UDIN: 25172670BMKVEF4926

Place: Mumbai

Date: 29th April, 2025



**Kaustubh Kulkarni**  
Chief Executive Officer

**Divyakumar Bhair**  
Director  
DIN: 08568679

**Ruchika Rushik Shah**  
Company Secretary  
M. No. FCS9114

**Anil Kumar Singh**  
Director  
DIN: 02059903

**Mohit Goyal**  
Chief Financial Officer

For and on behalf of the Board of Directors



**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2025**  
**CIN No. - U27320MH2018PLC374653**

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Revenue from operations	16	604.59	644.86
II. Other income	17	2,285.30	595.12
III. Total income (I+II)		<b>2,889.89</b>	<b>1,239.98</b>
IV. Expenses			
Purchase of stock-in-trade	18	603.44	639.53
Change in Inventories of stock in trade		-	4.18
Finance costs	19	359.24	332.60
Other expenses	20	4.48	2.44
Total expenses		<b>967.16</b>	<b>978.75</b>
V. Profit before tax (III-IV)		<b>1,922.73</b>	<b>261.23</b>
VI. Tax expense	22		
Current tax		62.91	66.24
Deferred tax		0.01	0.01
		<b>62.92</b>	<b>66.25</b>
VII. Profit for the year (V-VI)		<b>1,859.81</b>	<b>194.98</b>
VIII. Other comprehensive income/ (loss)		-	-
IX. Total Other comprehensive income for the year (VII+VIII)		<b>1,859.81</b>	<b>194.98</b>
X. Earnings per equity share of Rs. 10 each			
Basic (in Rs)	21	3.05	0.32
Diluted (in Rs)		3.05	0.32

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

**For Shah Gupta & Co.**

Chartered Accountants

Firm Registration No.: 109574W

**Parth P Patel**

Partner

Membership No.: 172670

UDIN: 25172670BMKVEF4926

Place: Mumbai

Date: 29th April, 2025



*Kaustubh Kulkarni*  
**Kaustubh Kulkarni**  
 Chief Executive Officer



**For and on behalf of the Board of Directors**

*Divyakumar Bhair*  
**Divyakumar Bhair**  
 Director  
 DIN: 08568679

*Ruchika Rushik Shah*  
**Ruchika Rushik Shah**  
 Company Secretary  
 M. No. FCS9114

*Anil Kumar Singh*  
**Anil Kumar Singh**  
 Director  
 DIN: 02059903

*Mohit Goyal*  
**Mohit Goyal**  
 Chief Financial Officer



**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2025**  
**CIN No. - U27320MH2018PLC374653**

	Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,922.73	261.23
<b>Adjustments for :</b>		
Interest expense	359.24	332.60
Dividend Income	(1,676.45)	-
Interest income	(604.56)	(595.12)
<b>Operating profit/(loss) before working capital changes</b>	<b>0.96</b>	<b>(1.29)</b>
<b>Adjustments for:</b>		
Decrease/(increase) in trade receivables	104.10	(80.58)
Decrease in other assets	65.58	63.54
(Increase)/Decrease in trade payables and other liabilities	(175.22)	156.18
<b>Cash flow from operations</b>	<b>(4.58)</b>	<b>137.85</b>
Income taxes paid (net of refund received)	(56.08)	(68.78)
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>(60.66)</b>	<b>69.07</b>
<b>B. Cash flow from investing activities</b>		
Dividend received	1,659.69	-
Buyback of Equity Shares	(1,508.80)	-
Interest received	-	24.94
Loan to a related party	(0.30)	-
Loan repaid by a related party	0.30	-
<b>Net cash generated from investing activities (B)</b>	<b>150.89</b>	<b>24.94</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	395.00	3,144.00
Repayment of current borrowings	(130.27)	(2,500.00)
Interest paid	(204.23)	(736.85)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>60.50</b>	<b>(92.85)</b>
<b>Net increase in cash and cash equivalents(A+B+C)</b>	<b>150.73</b>	<b>1.16</b>
<b>Cash and cash equivalents - opening balances</b>	<b>1.19</b>	<b>0.03</b>
<b>Cash and cash equivalents - closing balances ( refer note 5 )</b>	<b>151.92</b>	<b>1.19</b>

**Note:**

I. The statement of cash flows is prepared using the "indirect method" set out in Ind AS 7 "Statement of Cash Flows".

II. Reconciliations part of cash flows

Particulars	Borrowings
Balance as on March 31, 2024	3,256.27
Loan from a related party	395.00
Repayment of loan to a related party	(130.27)
Balance as on March 31, 2025	3,521.00

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

**For Shah Gupta & Co.**

Chartered Accountants

Firm Registration No.: 109574W

For and on behalf of the Board of Directors

**Parth P Patel**

Partner

Membership No.: 172670

UDIN: 25172670BMKVEF4926

Place: Mumbai

Date: 29th April, 2025

**Kaustubh Kulkarni**  
Chief Executive Officer

**Divyakumar Bhair**  
Director  
DIN: 08568679

**Anil Kumar Singh**  
Director  
DIN: 02059903

**Ruchika Rushik Shah**  
Company Secretary  
M. No. FCS9114

**Mohit Goyal**  
Chief Financial Officer



**PIOMBINO STEEL LIMITED**  
**Standalone Statement of changes in equity for the year ended March 31, 2025**  
**CIN No. - U27320MH2018PLC374653**

For the year ended March 31, 2025

**(a) Equity share capital**

Particulars	Rs. in crores
As at March 31, 2023	6,092.92
movements during the year	-
As at March 31, 2024	6,092.92
Reduction in share capital due to buyback of shares	(222.64)
As at March 31, 2025	5,870.28

**(b) Other equity**

Nature	Reserves & Surplus				Money received against share warrants	Total
	Retained earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Capital Reserve on account of business combination		
Opening balance as at April 1, 2023	-	-	246.58	0.47	14.00	261.05
Profit for the year	194.98	-	-	-	-	194.98
Transfer to debenture redemption reserve	246.58	-	(246.58)	-	-	-
Closing balance as at March 31, 2024	441.56	-	-	0.47	14.00	456.03
Profit for the year	1,859.81	-	-	-	-	1,859.81
Transfer to Capital Redemption reserve (CRR) (U/s 69 of the Companies Act, 2013)	(222.64)	222.64	-	-	-	-
Premium on buy back of equity shares	(1,453.81)	-	-	-	-	(1,453.81)
Closing balance as at March 31, 2025	624.92	222.64	-	0.47	14.00	862.03

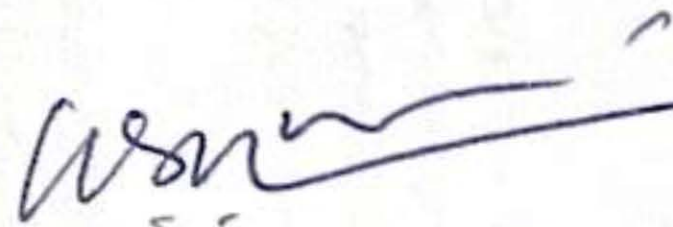


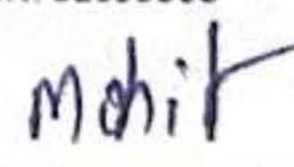
See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

  
**Parth P Patel**  
Partner  
Membership No.: 172670  
UDIN: 25172670BMKVEF4926  
Place: Mumbai  
Date: 29th April, 2025



For and on behalf of the Board of Directors

 <b>Kaustubh Kulkarni</b> Chief Executive Officer	 <b>Divyakumar Bhair</b> Director DIN: 08568679	 <b>Anil Kumar Singh</b> Director DIN: 02059903
 <b>Ruchika Rushik Shah</b> Company Secretary M. No. FCS9114	 <b>Mohit Goyal</b> Chief Financial Officer	



## PIOMBINO STEEL LIMITED

### Notes to the Standalone Financial Statements for the year ended March 31, 2025

#### General Information

Piombino Steel Limited ("the Company") is incorporated in India on September 21, 2018 under the Companies Act, 2013 with its registered office located at 6th Floor, Grande Palladium, 175, CST Road, Kolivery Village, MMRDA Area, Kalina, Santacruz East, Mumbai 400098.

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substances, alloys and metal scrap of all kinds.

#### 1A. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

#### 1B. Material accounting policies

##### I. Statement of compliance:

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

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

The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on April 29, 2025.

##### II. Basis of preparation and presentation:

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

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

In addition, for financial reporting purposes, fair value measurements are 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.

The Standalone Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 except when otherwise stated.





## PIOMBINO STEEL LIMITED

### Notes to the Standalone Financial Statements for the year ended March 31, 2025

#### 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

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

### III. Revenue recognition

#### Sale of Goods

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.

#### Interest income

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

#### Dividend 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).

### IV. Borrowing costs

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

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





V. 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.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone 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 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 year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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 recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

VI. 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 labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.

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.

VII. Provisions

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

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





## PIOMBINO STEEL LIMITED

### Notes to the Standalone Financial Statements for the year ended March 31, 2025

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.

#### VIII. Investment in subsidiary:

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

#### IX. 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 Standalone Statement of Profit and Loss.

##### 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

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

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

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

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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised 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.





## PIOMBINO STEEL LIMITED

### Notes to the Standalone Financial Statements for the year ended March 31, 2025

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 and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is 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) 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 and loss and is included in the 'Other income' line item.

### 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

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

##### 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.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**X. Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

**XI. Cash and cash equivalents:**

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

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

**XII. Earnings per share:**

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

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

**XIII. Business Combination**

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

**1C. Key sources of estimation uncertainty and critical accounting judgements:**

In the course of applying the policies outlined in all notes under section 1 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.





**PIOMBINO STEEL LIMITED**

**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

**Key sources of estimation uncertainty:**

Impairment of investments in subsidiary

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

Taxes

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





2. Investment in Subsidiary

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Unquoted				
Investment at cost				
(a) Investment in equity instruments				
Subsidiary				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	10,00,00,000	100.00	10,00,00,000	100.00
(b) Investment in compulsory convertible debentures (CCDs)				
Unquoted				
Subsidiary				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	8,45,00,00,000	8,450.00	8,45,00,00,000	8,450.00
<b>Total Investment</b>	<b>8,55,00,00,000</b>	<b>8,550.00</b>	<b>8,55,00,00,000</b>	<b>8,550.00</b>
Less: Aggregate amount of provision for impairment in value of investments		-		-
<b>Total</b>		<b>8,550.00</b>		<b>8,550.00</b>
<b>Aggregate carrying value</b>		<b>8,550.00</b>		<b>8,550.00</b>

**Notes**

a) The CCDs shall have a term of 5 (five) years commencing from the date on which the CCDs are issued and allotted i.e. March 25, 2021. The CCDs holders are entitled to receive a coupon on an annual basis at the rate of 6% per annum from the date of issue and allotment of CCDs. The CCDs coupon shall be payable on end of quarter from commencement of each subsequent quarter in which the interest became due. Each CCD is convertible at any time during the CCD term into one equity shares of face value of Rs. 10. The holder of CCDs subject to their discretion shall have the right to direct the company to convert any or all the CCDs at any time during the CCD term.

b) The Company's investments in CCD's of Bhushan Power & Steel Limited amounting to Rs.8,450 crores were classified as fair value through profit and loss in the earlier years. In terms of para 2.1(a) of Ind AS 109, investment as 'interest in subsidiaries' are scoped out from measurement principles of Ind AS 109. Accordingly, this investment basis Ind AS 109 and the terms should be treated as part of 'interests in subsidiaries' and carried at cost less impairment other than Ind AS 109. During the previous year ended March 31, 2023, based on technical note from expert obtained by the Company, it has reclassified the said investments from Investment in Subsidiary at FVTPL to Investment in Subsidiary at Cost.

c) 8,32,79,940 shares (as at 31 March 2024, Nil shares) are pledged to the Bhushan Power & Steel Limited's banker (State Bank of India) to secure refinancing of term loan facility. (refer note 23)

3. Current tax assets (Net)

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Tax deducted at source (net of provision for tax)	19.56	26.39
	<b>19.56</b>	<b>26.39</b>

4. Trade receivables

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	13.33	117.49
	<b>13.33</b>	<b>117.49</b>

Particulars	Outstanding for following periods from due date of payment as at March 31, 2025					
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	0.18	-	13.07	0.08	-	13.33

Particulars	Outstanding for following periods from due date of payment as at 31 March 2024					
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	65.69	41.76	4.13	5.90	-	117.49

The credit period on sales of goods ranges from 7 to 120 days with or without security. Trade receivables does not include any receivables from directors and officers of the Company. Details of trade receivables from related parties has been described in note 23. Credit risk management regarding trade receivables has been described in note 25.4.

5. Cash and cash equivalents

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	0.92	1.19
In term deposit accounts with maturity less than 3 months at inception	151.00	-
	<b>151.92</b>	<b>1.19</b>





6. Other current financial assets (unsecured)		Rs. in crores	
Particulars	As at March 31, 2025	As at March 31, 2024	
Interest receivable due on compulsory convertible debentures (CCDs)			
- from related party	2,005.13	1,461.17	
Security deposit	0.27	0.27	
Interest receivable on fixed deposit	0.13	-	
Others	0.20	0.01	
Less: Allowance for doubtful receivables	-	-	
	<b>2,005.73</b>	<b>1,461.45</b>	

7. Other current assets		Rs. in crores	
Particulars	As at March 31, 2025	As at March 31, 2024	
Balance with government authorities	24.66	25.67	
Less: Allowance for doubtful receivables	-	-	
	<b>24.66</b>	<b>25.67</b>	

8. Share capital				Rs. in crores
Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
<b>(a) Authorised:</b>				
Equity shares of Rs. 10 each of the par value	12,00,00,00,000	12,000.00	12,00,00,00,000	12,000.00
Preference shares of Rs. 10 each of the par value	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
<b>(b) Issued and subscribed</b>				
Outstanding at the beginning of the period/year, fully paid up	6,10,00,00,000	6,092.92	6,10,00,00,000	6,092.92
Less: Buy back of Equity shares	(22,26,36,000)	(222.64)	-	-
Outstanding at the end of the period/year, fully paid up	5,87,73,64,000	5,870.28	6,10,00,00,000	6,092.92

**(c) Rights, preferences and restrictions attached to equity shares**

The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

**(d) Details of shareholders holding more than 5% shares in the Company are set out below:**

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of Shares	No. of Shares	% of Shares
JSW Steel Limited, the Holding Company	4,85,73,64,000	82.65%	5,08,00,00,000	83.28%
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	16.72%

**(e) Change in Promoter's shareholding as on March 31, 2025:**

Promoter Name	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Steel Limited, the Holding Company	4,85,73,64,000	82.65%	4,85,73,64,000	83.28%	(0.63%)
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	16.72%	0.00%

9. Other equity		Rs. in crores	
Particulars	As at March 31, 2025	As at March 31, 2024	
Retained earnings	624.92	441.56	
Capital Redemption Reserve (CRR)	222.64	-	
Capital reserve	0.47	0.47	
Money received against share warrants	14.00	14.00	
	<b>862.03</b>	<b>456.03</b>	

**(a) Retained earnings**

Retained earnings are the profits/(losses) that the Company has earned till date. It is a free reserve available to the Company.

**(b) Capital reserve**

Reserve is created primarily on merger as per statutory requirement. This reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

**(c) Money received against share warrants**

The Company has issued 3,500,000,000 share warrants each to JSW Steel and JSW Shipping respectively with a subscription price of Rs. 0.02 per warrant. The exercise period is five years from the days of issue of the warrants and the warrant holders at their discretion shall be entitled to purchase one equity share of the face value of Rs. 10 each at an exercise price of Rs 10.

**(d) Capital Redemption Reserve (CRR)**

The Company has created a Capital Redemption Reserve (CRR) pursuant to the provisions of the Companies Act 2013, Section 69, upon the buyback of equity shares during the financial year.

The amount transferred to the Capital Redemption Reserve from retained earnings is Rs. 222.63 Crores. This reserve is maintained to ensure the integrity of the Company's capital base and is not available for distribution as dividends.

The Capital Redemption Reserve is classified under Reserves & Surplus in the financial statements and is presented as part of the Shareholders' Equity. It can be utilized only in accordance with the provisions of the Companies Act and other applicable regulations.





	Rs. in crores	
10. Borrowings At amortised cost		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current borrowings (Unsecured)</b>		
(i) Term loans		
From related party	-	3,256.27
	-	<b>3,256.27</b>

The Company has outstanding borrowings as on March 31, 2025 Rs. Nil (March 31, 2024 : Rs. 4,00,00,000) from JSW Steel Limited at the interest rate of 10.75% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% compounded annually and will now be due for repayment on March 31, 2026. Accordingly, the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has outstanding borrowings as on March 31, 2025 Rs. Nil (March 31, 2024 : Rs. 52,00,00,000) from JSW Steel Limited at the interest rate of 11.25% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% compounded annually and will now be due for repayment on March 31, 2026. Accordingly the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has outstanding borrowings as on March 31, 2025 Rs. Nil (March 31, 2024 : Rs. 56,27,12,500) from JSW Steel Limited at the interest rate of 11.25% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% compounded annually and will now be due for repayment on March 31, 2026, accordingly the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has outstanding borrowings as on March 31, 2025 Rs. 378,00,00,000 (March 31, 2024 : 378,00,00,000) from JSW Steel Limited bearing an interest rate of 10.60% compounded annually and is repayable after two years from the date of respective disbursement date (i.e June 30, 2025). Hence, reclassified as current.

The Company has outstanding borrowings as on March 31, 2025 Rs. 2766,00,00,000 (March 31, 2024 : Rs. 2766,00,00,000) Rs. from JSW Steel Limited bearing an interest rate of 10.65% compounded annually and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026). Hence, reclassified as current.

	Rs. in crores	
11. Other non-current financial liabilities		
Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	-	35.89
	-	<b>35.89</b>

	Rs. in crores	
12. Borrowings		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current borrowings</b>		
Loan from related party	3,521.00	-
	<b>3,521.00</b>	-

The Company has outstanding borrowings as on March 31, 2025 Rs. 378,00,00,000 (March 31, 2024 : 378,00,00,000) from JSW Steel Limited bearing an interest rate of 10.60% compounded annually and is repayable after two years from the date of respective disbursement date (i.e June 30, 2025)

The Company has outstanding borrowings as on March 31, 2025 Rs. 2766,00,00,000 (March 31, 2024 : Rs. 2766,00,00,000) Rs. from JSW Steel Limited bearing an interest rate of 10.65% compounded annually and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026)

The Company has outstanding borrowings as on March 31, 2025 Rs. 79,00,00,000 (March 31, 2024 : Nil.) from JSW Steel Limited bearing an interest rate of 10.65% compounded annually and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026)

The Company has outstanding borrowings as on March 31, 2025 Rs. 298,00,00,000 (March 31, 2024 : Nil.) from JSW Utkal Steel Limited bearing an interest rate of 11.00% compounded annually and is repayable after one year years from the date of respective disbursement date (i.e March 27, 2026)

	Rs. in crores	
13. Trade payables		
Particulars	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding, dues of micro and small enterprises	-	-

**Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company)**

Description	As at March 31, 2025	As at March 31, 2024
Principal amount due outstanding as at end of year	-	-
Principal amount overdue more than 45 days	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	18.82	115.10
	<b>18.82</b>	<b>115.10</b>





## Ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.07	18.75	-	-	18.82

## Ageing as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.10	113.99	1.01	-	115.10

Trade Payables are normally settled within 180 days.

Trade payables to related parties has been disclosed in note 23.

## 14. Other current financial liabilities

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	289.58	134.51
	<b>289.58</b>	<b>134.51</b>

## 15. Other current liabilities

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Advance from customer	-	12.47
Statutory liabilities	203.51	79.03
	<b>203.51</b>	<b>91.50</b>

## 16. Revenue from operations

Particulars	Rs. in crores	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of traded goods	604.59	644.86
	<b>604.59</b>	<b>644.86</b>

## Ind AS 115 (Revenue from contracts with customers)

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

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure :

Particulars	Rs. in crores	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from contracts with customer - sale of products</b>		
Trading of steel products	604.59	644.86
<b>Total revenue from operations</b>	<b>604.59</b>	<b>644.86</b>
India	604.59	644.86
Outside India	-	-
<b>Total revenue from operations</b>	<b>604.59</b>	<b>644.86</b>
<b>Timing of revenue recognition</b>		
At a point in time	604.59	644.86
<b>Total revenue from operations</b>	<b>604.59</b>	<b>644.86</b>

## Contract balances

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Trade receivables (refer note 4)	13.33	117.49
<b>Contract Liabilities</b>		
Advance from customers (refer note 31)	-	12.47

Credit period on sale of goods ranges from 7 to 120 days with or without security.

## 17. Other income

Particulars	Rs. in crores	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income earned - compulsory convertible debentures (CCDs)	604.41	570.19
Interest Income earned on financial assets designated as amortised cost		
Bank Deposits	0.15	24.88
Dividend Income	1,676.45	-
Other miscellaneous income	4.29	0.05
	<b>2,285.30</b>	<b>595.12</b>





18. Purchase of stock-in-trade		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
Purchase of traded goods	603.44	639.53	
	<b>603.44</b>	<b>639.53</b>	

19. Finance costs		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
Premium on redemption of non-convertible debentures	-	260.79	
Interest on borrowings	359.24	53.17	
Unwinding of interest on financial liabilities carried at amortised cost	-	18.64	
	<b>359.24</b>	<b>332.60</b>	

20. Other expenses		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
Legal and professional fees	0.74	0.40	
CSR expenditure (refer note 20.b)	3.71	1.94	
Miscellaneous expenses	0.03	0.10	
	<b>4.48</b>	<b>2.44</b>	

**a) Remuneration to auditors included in legal and professional Fees**

Statutory audit fees (including limited reviews)	0.10	0.14
For certification and other services	-	-

**b) Corporate social responsibility (CSR)**

The company has incurred an amount of Rs. 3.71 crores towards CSR as per section 135 of the Companies act, 2013 and is included in the other expenses.

Particular	For the period ended March 31, 2025		For the year ended March 31, 2024	
	In- Cash	Yet to be paid in cash	In- Cash	Yet to be paid in cash
(a) Gross amount required to be spent by the Company during the period	3.71	-	1.94	-
(b) Amount spent on:				
(i) Construction / acquisition of assets				
(ii) On purposes other than (i) above (for CSR projects)	3.71	-	1.94	-

Amount paid to JSW Foundation, a related party in relation to CSR expenditure(refer note 23)

**(c) Details of related party transactions**

(d) Nature of CSR activities	1. Public health infrastructure, capacity building & support programs 2. Project management cost
------------------------------	---

21. Earnings per share		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
Profit attributable to equity shareholders (Rs. in crores) (A)	1,859.81	194.98	
Weighted average number of equity shares for basic EPS (B)	6,09,39,00,384	6,10,00,00,000	
Weighted average number of equity shares for diluted EPS (C)	6,09,39,00,384	6,10,00,00,000	
Earnings per share			
Basic EPS (Amount in Rs.) (A/B)	3.05	0.32	
Diluted EPS (Amount in Rs.) (A/B)	3.05	0.32	

**22. Income Tax**

**A. Income Tax expense**

		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
Current tax	62.91	66.24	
Deferred tax	0.01	0.01	
<b>Total tax expense</b>	<b>62.92</b>	<b>66.25</b>	

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

		Rs. in crores	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
<b>Effective tax rate reconciliation</b>			
Profit before tax	1,922.73	261.23	
Enacted tax rate in India	25.17%	25.17%	
<b>Expected income tax expense at statutory tax rate</b>	<b>483.90</b>	<b>65.75</b>	
<b>Tax effect of expenses not deductible in determining taxable profits</b>			
Dividend income	(421.92)	-	
CSR expenditure	0.93	-	
Deferred tax	0.01	0.01	
Tax Provision/(reversal) for earlier years on finalisation of income tax returns	-	0.49	
<b>Tax expense for the year</b>	<b>62.92</b>	<b>66.25</b>	
<b>Effective income tax rate</b>	<b>3.27%</b>	<b>25.36%</b>	





**B. Deferred tax asset (net)**

Rs. in crores

Deferred tax balance in relation to	As at 31-Mar-24	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 31-Mar-25
Others	0.03	(0.01)	-	0.02
	<b>0.03</b>	<b>(0.01)</b>	<b>-</b>	<b>0.02</b>

Deferred tax balance in relation to	As at 31-Mar-23	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 31-Mar-24
Others	0.04	(0.01)	-	0.03
	<b>0.04</b>	<b>(0.01)</b>	<b>-</b>	<b>0.03</b>

**23. Related party disclosures as required by Ind AS 24**
**A. Name of Related Parties**
**1. Holding Company**

JSW Steel Limited

**2. Subsidiary Company**

Bhushan Power &amp; Steel Limited

**3. Fellow Subsidiary Companies**

JSW Steel Coated Products Limited

JSW Utkal Steel Limited

National Steel and Agro Industries Limited (merged with JSW Steel Coated Products Limited wef October 3, 2024)

NSL Green Steel recycling Limited

**4. Key Management Personnel**

Mr. Kaustubh Kulkarni

Mr. Mohit Goyal

 Mr. Alok Kumar Mishra (upto 2<sup>nd</sup> September 2024)

 Mrs. Ruchika Shah (wef 22<sup>nd</sup> October 2024)

Chief Executive Officer

Chief Financial Officer

Company Secretary

Company Secretary

**5. Board of Directors**

Mr. Manoj Kumar Mohta

Mr. Anil Kumar Singh

Mr. Divyakumar Bhair

Mr. Anunay Kumar

Dr. (Mrs.) Rakhi Jain

Non-Independent Non-Executive Director

Non-Independent Non-Executive Director

Non-Independent Non-Executive Director

Independent Non-Executive Director

Independent Non-Executive Director

**6. Other related party**

JSW Shipping &amp; Logistics Private Limited

**B. Transactions with related parties**

Rs. in crores

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Bhushan Power &amp; Steel Limited</b>		
Purchase of steel products	-	192.42
Interest income	604.40	570.19
Dividend Income	1,676.45	-
Other charges	0.24	-
Pledge of equity shares (no. of shares)	8,32,79,940 shares	-
<b>JSW Steel Limited</b>		
Buyback of shares	1,676.45	-
Loan taken	79.00	3,144.00
Loan repaid	130.27	-
Finance costs	359.24	53.17
Purchase of steel products	603.44	557.16
Sale of steel products	-	5.07
Rent expense	0.02	0.02
<b>National Steel and Agro Industries Limited (Merged with JSW Steel Coated Products Limited)</b>		
Sales of steel products	-	278.82
<b>JSW Steel Coated Products Limited</b>		
Sales of steel products	604.59	472.78
<b>NSL Green Steel Recycling Limited</b>		
Loan given	0.30	-
Loan given received back	0.30	-
Interest income	0.01	-
<b>JSW Utkal Steel Limited</b>		
Loan taken	298.00	-
Finance costs	0.36	-
<b>JSW Foundation</b>		
CSR expenditure	3.71	1.94
<b>Director remuneration</b>		
Remuneration to Kaustabh Kulkarni*	0.00	0.00

\*Rs. 1000





**Notes:**

- Transactions are inclusive of taxes wherever applicable.
- The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company paid to them by way of sitting fees during the current period is Rs. 0.042 crores (previous period Rs. 0.044 crores), which is not included above.
- 8,32,79,940 shares (as at 31 March 2024, Nil shares) are pledged to the Bhushan Power & Steel Limited's banker (State Bank of India) to secure refinancing of term loan facility of 4,000 crores. (refer note 2)

**Terms and conditions**

**Sales :** The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. For the period ended 31 March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

**Purchases :** The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

**C. Balances with related parties**

Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Bhushan Power &amp; Steel Limited</b>		
Interest receivable	2,005.13	1,461.17
Other Payables	0.22	-
Trade Payables	-	12.69
Pledge of equity shares (no. of shares)	8,32,79,940 shares	-
<b>JSW Steel Limited</b>		
Loan outstanding	3,223.00	3,256.27
Interest payable	289.26	170.40
Trade payables	18.49	96.20
Trade receivables	-	5.07
<b>JSW Steel Coated Products Limited</b>		
Advance received from customer	-	12.47
Other payables	14.41	-
<b>National Steel and Agro Industries Limited (Merged with JSW Steel Coated Products Limited)</b>		
Trade receivables	27.84	102.39
<b>JSW Uttal Steel Limited</b>		
Loan outstanding	298.00	-
Interest payable	0.32	-
<b>JSW Shipping &amp; Logistics Private Limited</b>		
Interest payable	-	0.47

**24. Financial Instruments****24.1 Capital Risk Management**

The Company maintains a strong credit rating through optimum mix of debt and equity. The principal source of funding of the Company is from inter corporate loans, capital markets and investors. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio. The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

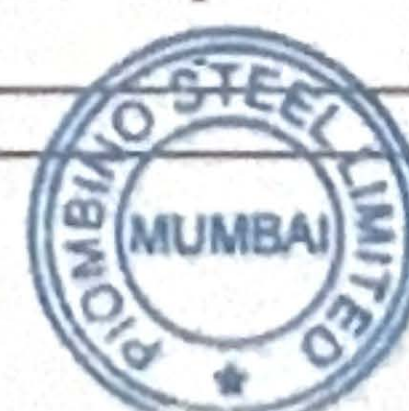
Particulars	Rs. in crores	
	As at March 31, 2025	As at March 31, 2024
Borrowings	3,521.00	3,256.27
Less: Cash and cash equivalent	(151.92)	(1.19)
<b>Net debt</b>	<b>3,369.08</b>	<b>3,255.08</b>
<b>Total equity</b>	<b>6,732.31</b>	<b>6,548.95</b>
<b>Gearing ratio</b>	<b>0.50</b>	<b>0.50</b>

Equity includes all capital and reserves of the Company that are managed as capital and debt is defined as long and short term borrowings as disclosed in Note 10 and 12.

**24.2 Categories of financial instruments**

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

As at March 31, 2025		Rs. in crores		
Particulars	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	13.33	-	13.33	13.33
Cash and cash equivalents	151.92	-	151.92	151.92
Other financial assets	2,005.73	-	2,005.73	2,005.73
<b>Total</b>	<b>2,170.98</b>	<b>-</b>	<b>2,170.98</b>	<b>2,170.98</b>
<b>Financial liabilities</b>				
Long term borrowings (including current maturities)	3,521.00	-	3,521.00	3,521.00
Trade payables	18.82	-	18.82	18.82
Other financial liabilities	289.58	-	289.58	289.58
<b>Total</b>	<b>3,829.40</b>	<b>-</b>	<b>3,829.40</b>	<b>3,829.40</b>
<b>As at March 31, 2024</b>		<b>Rs. in crores</b>		
Particulars	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	117.49	-	117.49	117.49
Cash and cash equivalents	1.19	-	1.19	1.19
Other financial assets	1,461.45	-	1,461.45	1,461.45
<b>Total</b>	<b>1,580.13</b>	<b>-</b>	<b>1,580.13</b>	<b>1,580.13</b>
<b>Financial liabilities</b>				
Long term borrowings	3,256.27	-	3,256.27	3,256.27
Trade payables	115.10	-	115.10	115.10
Other financial liabilities	170.40	-	170.40	170.40
<b>Total</b>	<b>3,541.77</b>	<b>-</b>	<b>3,541.77</b>	<b>3,541.77</b>





## 25. Fair value hierarchy of financial instruments

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature. A significant part of the financial assets is classified as Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in debt securities, accordingly, any material volatility is not expected.

Details of financial assets/liabilities measured at amortised cost but fair value disclosed in category-wise				Rs. in crores
Particulars	Level and valuation techniques	As at March 31, 2025	As at March 31, 2024	
Long term borrowings (Including current maturities)	Level 2, estimated by discounting expected			
Carrying value	future cash flows using a discount rate	3,521.00	3,256.27	
	equivalent to the risk-free rate of return			
Fair value	adjusted for credit spread considered by	3,521.00	3,256.27	
	lenders for instruments of similar maturities.			

### 25.1 Market risk management

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

### 25.2 Interest risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees with fixed rates of interest.

### 25.3 Liquidity risk management

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

As at March 31, 2025				Rs. in crores
Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivables	13.33	-	-	13.33
Cash and cash equivalents	151.92	-	-	151.92
Other financial assets	2,005.73	-	-	2,005.73
Total	2,170.98	-	-	2,170.98
Financial liabilities				
Borrowings	3,521.00	-	-	3,521.00
Trade payables	18.82	-	-	18.82
Other financial liabilities	289.58	-	-	289.58
Total	3,829.40	-	-	3,829.40

As at March 31, 2024				Rs. in crores
Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivables	117.49	-	-	117.49
Cash and cash equivalents	1.19	-	-	1.19
Other financial assets	1,461.45	-	-	1,461.45
Total	1,580.13	-	-	1,580.13
Financial liabilities				
Borrowings	-	3,256.27	-	3,256.27
Trade payables	115.10	-	-	115.10
Other financial liabilities	170.40	-	-	170.40
Total	285.50	3,256.27	-	3,541.77

### 25.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Currently, the Company has limited customer base. The Company selects customers after due diligence based on creditworthiness as a means of mitigating the risk of financial loss from defaults.

## 26. Segment reporting

The Company is in the business of steel products trading activity, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

### a. Revenue from operations

Particulars	Rs. in crores	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Domestic	604.59	644.86
	604.59	644.86

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

### b. Non-current assets

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

### c. Customer contributing more than 10% of Revenue

Particulars	Rs. in crores	
	For the year ended March 31, 2025	For the year ended March 31, 2024
JSW Steel Coated Products Limited	-	387.40
National Steel and Agro Industries Limited (merged with JSW Steel Coated Products Limited wef October 3, 2024)	604.59	150.90
	604.59	538.30

## 27. Contingent Liabilities

The Company does not have any contingent liabilities as on March 31, 2025 (March 31, 2024 : NIL).





## 28. Ratio Analysis

S No	Ratios	Numerator	Denominator	FY 24-25	FY 23-24	Change	% Change	Change in ratio in excess of 25% compared to preceding year
1	Current Ratio ( Current Assets/ Current Liabilities)	2,195.64	4,032.91	0.54	4.71	(4.16)	-88.43%	Change is mainly due to reclassification of borrowings in the current maturity a repayment has to be made in the next one year
2	Debt Equity Ratio ( Total Borrowings / Total Equity)	3,521.00	6,732.31	0.52	0.50	0.03	5.18%	
3	Debt service coverage ratio ( Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the period)	2,281.97	3,880.24	0.59	0.17	0.42	255.43%	Increase was primarily on account of increase in profit before tax due to receipt of dividend from subsidiary
4	Return on Equity ( Profit after tax/ Average Shareholder's equity)	1,859.81	6,640.63	28.01%	3.02%	24.98%	826.70%	Increase was primarily on account of increase in profit before tax due to receipt of dividend from subsidiary
5	Inventory Turnover (no. of days) (Average inventory / (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + MDO cost) * No. of days)	-	603	-	308.06	NA	- NA	-
6	Debtors Turnover (no. of days) (Gross sales/ Average Trade receivables )	604.59	65.41	9.24	8.35	0.89	10.65%	
7	Trade payables turnover (no of days) (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories)/ Average trade payables )	603.44	66.96	9.01	8.04	0.98	12.14%	
8	Net capital turnover ( Net Sales/ (Current assets - current liabilities)	604.59	-1,837.27	(0.33)	0.51	(0.84)	-164.54%	Decrease is mainly due to higher current borrowings as on balance sheet date
9	Net Profit Margin (%) (Net profit for the year)/ (Total Income)	1,859.81	2,889.89	64.36%	15.72%	0.49	309.28%	Higher profit margin attributable to increase in profit after tax and increase in total income due to dividend income
10	Return on capital employed (Profit before Tax, Exceptional Items, Depreciation and Finance Cost / Tangible Net Worth + Total Debt + Deferred Tax Liability)	2,281.97	10,253.33	22.26%	6.06%	16.20%	267.49%	Higher profit margin attributable to increase in profit after tax and increase in total income due to dividend income
11	Return on Investment <sup>^</sup>	NA	NA	NA	NA	NA	NA	-

Note: Above ratios are based on the standalone financial statements of the Company.

<sup>^</sup> The Company has neither made any new investment, nor declared any dividend in the current year, further, all the investments of Company are unquoted. Thus, this ratio is not applicable as well.

29. For FY 2023-2024, the income from financial assets were less than 50 percent and as such, the Company does not satisfy the Principal Business Test. Further, the Company does not have any intent or plan to commence or carry on the business of NBFC. Accordingly, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Further, the income from financial assets of the Company is more than 50% of its total income during FY 2024-25, mainly due to onetime receipt of dividend income from its subsidiary, Bhushan Power & Steel Limited (BPSL). The company is in the process of making an application to RBI for clarification / waiver of requirement for it to be registered as NBFC, in view of one time transaction.





# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **DIRECTORS' REPORT**

The Members,  
**PIOMBINO STEEL LIMITED,**

Your Directors take pleasure in presenting the **SIXTH ANNUAL REPORT** of your Company, together with the Audited Financial Statements for the year ended March 31, 2024.

### **1. FINANCIAL SUMMARY:**

<b>(Amount in Crores)</b>		
<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
i. Revenue from operations	644.86	45.46
ii. Other income	595.12	537.94
<b>iii. Total Income (i+ii)</b>	<b>1239.98</b>	<b>583.40</b>
<b>iv. Expenses:</b>		
Purchase of Stock-in-trade	639.53	49.89
Finance Cost	332.60	311.98
Change in Inventory of Stock-in trade	4.18	(4.18)
Other expenses	2.44	1.02
<b>Total Expenses</b>	<b>978.75</b>	<b>358.71</b>
<b>v. Profit/ (Loss) before Tax (iii-iv)</b>	<b>261.24</b>	<b>224.69</b>
<b>vi. Tax expenses</b>		
Current tax	66.24	56.69
Deferred tax	0.01	(0.04)
<b>Profit/ (Loss) for the year (v-vi)</b>	<b>194.98</b>	<b>168.04</b>

### **2. FINANCIAL HIGHLIGHTS AND OPERATIONAL PERFORMANCE:**

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, res, minerals and mineral substance, alloys and metal scraps of all kinds. The Company earned revenue of Rs. 644.86 crores from trading of steel products and Rs. 595.12 crores from interest for the financial year under review. The Company has reported net profit for the F.Y. 2023-24 of Rs. 194.98 crores after providing for tax expense as compared to Rs. 168.04 crores in FY 2022-23.

### **3. CHANGE IN THE NATURE OF BUSINESS:**

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

### **4. DIVIDEND:**

To maintain the liquidity of funds for meeting the future financial requirements of the Company, the Board of Directors has decided not to declare any dividend for the financial year 2023-24.



# PIOMBINO STEEL LIMITED

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Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **5. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (i) OF THE COMPANIES ACT, 2013:**

Your directors do not propose to carry any amount to any reserves during the period under review.

## **6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

## **7. DEPOSITS:**

Your Company has not accepted or renewed any deposits within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014 and the rules made thereunder.

## **8. SHARE CAPITAL:**

The Authorised Share Capital of the Company is Rs.17000,00,00,000/- (Rupees Seventeen Thousand Crores Only) divided into 1200,00,00,000 (One Thousand Two Hundred Crores only) Equity Shares of Rs.10/- each (Rupees Ten only) and 500,00,00,000 (Five Hundred Crores only) Preference Shares of Rs.10/- (Rupees Ten only) each. The Paid-Up Share Capital of the Company is Rs. 6100,00,00,000/- (Rupees Sixty-One Hundred Crore only) divided into 610,00,00,000 (Six Hundred Ten Crore) Equity Shares of Rs. 10/- each.

### **Issue of Equity Shares:**

During the year under review, the Company has not issued any equity shares.

### **Subsidiary of JSW Steel Limited:**

JSW Steel Limited holds 83.28% equity and JSLPL holds 16.72% equity in the Company. Subsequent to the conversion of OFCDs, the Company had become a Subsidiary of JSW Steel Limited.

### **a) Issue of Equity Shares with Differential Rights**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

### **b) Issue of Sweat Equity Shares**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.



# PIOMBINO STEEL LIMITED

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Website: <https://www.jsw.in/groups/piombino-steel-limited>

## c) Issue of Employee Stock Options

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

## 9. **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### 1. **BOARD OF DIRECTORS:**

#### a) **COMPOSITION & CONSTITUTION OF BOARD OF DIRECTORS:**

The Board of your Company currently comprises of five Directors, namely Mr. Anil Kumar Singh (DIN: 02059903), Mr. Divyakumar Vimalkumar Bhair (DIN: 08568679), Mr. Manoj Kumar Mohta (DIN: 02339000), Mr. Anunay Kumar (DIN: 01647407), Independent Director and Dr. Rakhi Jain (DIN: 07138042), Independent Director.

According to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Anil Kumar Singh (DIN: 02059903) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for reappointment. The necessary resolution proposing the appointment of aforesaid Director has been incorporated in the Notice of the ensuing Annual General Meeting for your approval.

#### b) **BOARD MEETING & ATTENDANCE:**

During the period under review, meeting of the Board of Directors was held 5 times on 10.05.2023, 14.07.2023, 16.10.2023, 15.01.2024 and 18.03.2024. The detail of the participation of Directors thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1..	Mr. Anil Kumar Singh	05	05
2.	Mr. Manoj Kumar Mohta	05	04
3.	Mr. Divyakumar Vimalkumar Bhair	05	04
4.	Mr. Anunay Kumar	05	05
5.	Dr. Rakhi Jain	05	05

The intervening gap between the Board meetings was within the period prescribed under the Companies Act, 2013.

#### c) **DECLARATION BY THE INDEPENDENT DIRECTORS**

The Board comprised of Mr. Anunay Kumar and Dr. Rakhi Jain as Independent Directors. The Company has received the necessary declaration from each of the Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act. The Independent Directors had 01 (One) Meeting during the period under review.



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## **d) CHANGES IN KEY MANAGERIAL PERSONNEL**

During the period under review, there is no change in Key Managerial Personnel (KMP) of the Company.

## **10. COMPOSITION OF VARIOUS BOARD COMMITTEES**

### **i. Audit Committee**

Audit Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Divyakumar Vimalkumar Bhair and Dr. Rakhi Jain as members of Audit Committee. The Board has approved the charter for the functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Audit Committee was held 06 times on 09.05.2023, 14.07.2023, 16.10.2023, 15.01.2024, 18.03.2024 and 22.03.2024. The detail of the participation of members thereat is enumerated as below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting Attended</b>
1.	Mr. Anunay Kumar	06	06
2.	Mr. Divyakumar Vimalkumar Bhair	06	05
3.	Dr. Rakhi Jain	06	06

### **ii. Nomination and Remuneration Committee**

Nomination and Remuneration Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Nomination & Remuneration Committee was held 01 times on 09.05.2023. The detail of the participation of members thereat is enumerated as below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting Attended</b>
1.	Mr. Anunay Kumar	01	01
2.	Mr. Anil Kumar Singh	01	01
3.	Dr. Rakhi Jain	01	01

### **iii. Corporate Social Responsibility Committee**

Corporate Social Responsibility Committee comprises of Dr. Rakhi Jain as Chairperson, Mr. Anil Kumar Singh and Mr. Anunay Kumar as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.



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During the period under review, the meeting of the CSR Committee of Board of Directors was held 01 times on 09.05.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Dr. Rakhi Jain	01	01
2.	Mr. Anil Kumar Singh	01	01
3.	Mr. Anunay Kumar	01	01

#### iv. Finance Committee

The Finance Committee of the Board of Directors comprises of Mr. Anil Kumar Singh as Chairman, Mr. Manoj Kumar Mohta and Mr. Divyakumar Vimalkumar Bhair as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Finance Committee of Board of Directors was held 01 times on 19.04.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anil Kumar Singh	01	01
2.	Mr. Manoj Kumar Mohta	01	01
3.	Mr. Divyakumar Vimalkumar Bhair	01	01

#### v. Risk Management Committee

Risk Management Committee of Board of Directors was constituted on May 24, 2022 and presently comprises of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Risk Management Committee of Board of Directors was held 01 time on 16.10.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anunay Kumar	01	01
2.	Mr. Anil Kumar Singh	01	01
3.	Dr. Rakhi Jain	01	01

The Company has redeemed its Listed, Rated, Unsecured, Non redeemable, Non Convertible Bonds (NCBs) of Rs.10 laks each aggregating to Rs. 2,500 crore in full on its redemption date i.e. March 22, 2024 and also got approval from the BSE Limited for delisting of its NCBs from Stock Exchange. Hence the company has become unlisted company and respective provisions of SEBI (LODR) Regulations, 2015, will no longer be applicable on it, therefore continuation of aforesaid Committee



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is no more required. Hence the Risk Management Committee has been dissolved w.e.f May 07, 2024.

## vi. Stakeholders Relationship Committee

Stakeholders Relationship Committee of Board of Directors was constituted on May 24, 2022 and presently comprises of Dr. Rakhi Jain as Chairperson, Mr. Anunay Kumar and Mr. Anil Kumar Singh as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Stakeholders Relationship Committee of Board of Directors was held 01 time on 13.10.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Dr. Rakhi Jain	01	01
2.	Mr. Anunay Kumar	01	01
3.	Mr. Anil Kumar Singh	01	01

The Company has redeemed its Listed, Rated, Unsecured, Non redeemable, Non Convertible Bonds (NCBs) of Rs.10 lacs each aggregating to Rs. 2,500 crore in full on its redemption date i.e. March 22, 2024 and also got approval from the BSE Limited for delisting of its NCBs from Stock Exchange. Hence the company has become unlisted company and respective provisions of SEBI (LODR) Regulations, 2015, will no longer be applicable on it, therefore continuation of aforesaid Committee is no more required. Hence the Stakeholders Relationship Committee has been dissolved w.e.f May 07, 2024.

## 11. HOLDING & SUBSIDIARY COMPANY:

JSW Steel Limited holds 83.28% equity and JSW Shipping & Logistics Private Limited holds 16.72% equity in the Company. The Company is now a Subsidiary of JSW Steel Limited.

Bhushan Power & Steel Limited is wholly owned subsidiary of your Company w.e.f. March 26, 2021.

Presently, the Company neither has any Joint Venture nor Associate company.

## 12. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

During the year, no other companies have become or ceased to be subsidiaries, joint ventures or associate companies.

## 13. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:

The members may refer to the financial statements forming part of the Annual Report as required under the provisions of Section 129(3) of the Companies Act, 2013 for financial position of all Subsidiaries.

A statement containing salient features of the financial statements of the Subsidiary Company in Form AOC-1 is given in 'Annexure-A' to this Report.



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## **14. INTERNAL CONTROL SYSTEM & INTERNAL FINANCIAL CONTROLS:**

### **a) Overview**

The Company has a robust system of internal control, commensurate with the size and nature of its business and complexity of its operations.

### **b) Internal Control:**

The Company has a proper and adequate system of Internal Control.

### **c) Internal Audit:**

The Company has a strong and independent internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Internal Audit team consists of professionally qualified accountants and engineers at the group level. The Internal Auditors reports directly to the Chairman of the Audit Committee.

### **d) Audit Plan and Execution**

At start of the year, the Internal Audit Department prepares an Annual Audit Plan after considering Business and Process Risks. The frequency of the audit is decided by risk ratings of areas/functions. The audit plan is carried out by the Internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend.

### **e) Internal Financial Controls**

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls.

The Company has already developed and implemented a framework for ensuring internal controls over financial reporting. During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

## **15. AUDITORS AND AUDITORS' REPORT:**

### **A. STATUTORY AUDITORS:**

M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No. 109574W) had been appointed as the Statutory Auditors of the Company on the 01<sup>st</sup> Annual General Meeting for a period of 5 years until the conclusion of 6<sup>th</sup> Annual General Meeting to be held in the calendar year 2024.

Pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, subject to approval of shareholders in the ensuing Annual General Meeting, Board of Directors in its meeting held on May 07, 2024 has recommended for re-appointment of M/s. Shah Gupta & Co., Chartered Accountants, (Firm Registration No. 109574W) as Statutory Auditors of the Company for a further period of 5 years from conclusion of ensuing 6<sup>th</sup> Annual General Meeting till conclusion of 11<sup>th</sup> Annual General



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Meeting to be held in calendar year 2029 at a remuneration plus applicable taxes and reimbursement of out of pocket expenses to be decided by Board of Directors in consultation with the Auditors.

## **Comment on Auditors' Report:**

The report of the Auditors along with notes to Schedules forms part of this Annual Report. The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Auditors' Report for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

No fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year under review does not contain any qualification, reservation, adverse remark, or disclaimer, except that there is a modification pertaining to maintenance of audit trail, as explained below.

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

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

Accordingly, going forward once the testing of monitoring database in PAM is completed and PAM becomes operational in all aspects, the Company would be in compliance with this requirement.

## **B. SECRETARIAL AUDITORS:**

In terms of Section 204 of the Act, Board of Directors of the Company in their Meeting held on May 10, 2023 had appointed M/s. Sunil Agarwal & Co., Practicing Company Secretaries, as



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secretarial auditor to conduct a secretarial audit of the Company for the financial year 2023-24.

The Secretarial Audit report for financial year 2023-24 is annexed to this report in form MR-3 (**Annexure – B1**). The Secretarial Audit report for financial year 2023-24 of Bhushan Power & Steel Limited, wholly owned Subsidiary of the Company is also annexed to this report in Form MR-3 (**Annexure – B2**)

The Board, at its meeting held on May 07, 2024 has on the recommendation of the Audit Committee appointed M/s MMJB & Associates LLP, Practicing Company Secretaries, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2024-25.

## **16. RELATED PARTY TRANSACTIONS:**

All related party transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms' length basis and are in accordance with provisions of Section 177, 188 of the Companies Act, 2013. The details of contracts or arrangement as prescribed in Form AOC-2 attached as **Annexure - C**.

Suitable disclosure on related party transactions, as required by the Accounting Standards has been made in the notes to the Financial Statements.

## **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## **18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:**

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

## **19. PARTICULARS OF EMPLOYEES:**

The Disclosures pertaining to particulars of employees as required in terms of the Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company and hence, the disclosure on particulars of employees in terms of the aforesaid Section and Rules is not attached to the Directors' Report.

## **20. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Being part of JSW group, your Company follows an Anti-Sexual Harassment JSW Group Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up at group level to redress complaints received regarding sexual harassment. No complaints pertaining to sexual harassment were received during the FY 2023-24.



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## **21. WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The Company has in place a mechanism in the form of the Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any.

## **22. RISK MANAGEMENT:**

The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the management.

## **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Corporate Social Responsibility Policy is available on the website of the Company. Annual report on Corporate Social responsibility is enclosed as **Annexure – D**.

## **24. SECRETARIAL STANDARDS**

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been complied with by the Company during the financial year under review.

## **25. BOARD EVALUATION**

The Board carried out an annual evaluation of its own performance, the performance of the Independent Directors individually as well as an evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

## **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is not engaged in any manufacturing activity, particulars under section 134(3)(m) of the Companies Act, 2013, regarding the conservation of energy, technology absorption are not applicable.

There were no foreign exchange earnings / outgo during the year under review.

## **27. COPY OF ANNUAL RETURN**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and are accessible at the web-link: <https://www.jsw.in/groups/piombino-steel-limited>.



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## **28. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) such accounting policies have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis; and
- e) proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## **APPRECIATION:**

Your Directors would like to express their appreciation for co-operation and assistance received from Government authorities, financial institutions, banks, vendors, customers, shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**

  
**Anil Kumar Singh**  
**Chairman**  
**DIN: 02059903**

Place: **Mumbai**  
Date: May 07, 2024



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## ANNEXURE A

### FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Part "A": Subsidiaries

(in Crores)

Sl. No.	1 (One)
Name of the subsidiary	Bhushan Power & Steel Limited
The date since when subsidiary was acquired	26.03.2021
Financial Year ending on	31.03.2024
Reporting Currency	INR
Exchange Rate on the last day of the financial year	N.A
Share capital	100.00
Reserves & Surplus	12,707.55
Total Assets	24,432.65
Total Liabilities	24,432.65
Investments	0.00
Turnover	21,985.68
Profit/(Loss) before tax	674.27
Provision for tax	0.00
Profit/(Loss) after tax	674.27
Proposed Dividend	0.00
% of shareholding	100.00

#### Notes:

1. No subsidiary is yet to commence operations.
2. No subsidiary has been liquidated or sold during the year.

For and on behalf of the  
Board of Directors of Piombino Steel Ltd.

  
Anil Kumar Singh  
Chairman  
DIN: 02059903

Place: Mumbai  
Date: May 07, 2024



# **SUNIL AGARWAL & Co.**

Company Secretaries

Off: 124-125, Ostwal Ornate, "A" Wing, Building No. 1, Opp. Jain Temple, Jessel Park, Bhayander (East), Thane-401105, email: [sunilcs\\_mumbai@rediffmail.com](mailto:sunilcs_mumbai@rediffmail.com), [agarwalcs\\_mumbai@yahoo.co.in](mailto:agarwalcs_mumbai@yahoo.co.in)  
web: [cssunilagarwal.in](http://cssunilagarwal.in); Cell: +91 9920715299;

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To,  
The Members,  
**PIOMBINO STEEL LIMITED**  
6<sup>th</sup> Floor, Grande Palladium,  
175, CST Road, Kalina, Santacruz (East),  
Mumbai - 400 098

My Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company. I relied on the statutory report provided by the Statutory Auditor of the company for the financial year ending 31 March, 2024.
4. Wherever required I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Sunil Agarwal & Co.**

**Company Secretaries**

SUNIL  
SHIVKUMAR  
AGARWAL

Digitally signed by  
SUNIL SHIVKUMAR  
AGARWAL  
Date: 2024.04.25  
11:01:41 +05'30'

**Sunil Agarwal**

**(Proprietor)**

**FCS No.: 8706**

**C.P. No.: 3286**

**Place: Mumbai**

**Date: 25/04/2024**

**UDIN number: F008706F000235020**

**Peer Review Unit No. 788/2020**



# **SUNIL AGARWAL & Co.**

Company Secretaries

Off: 124-125, Ostwal Ornate, "A" Wing, Building No. 1, Opp. Jain Temple, Jessel Park, Bhayander (East), Thane-401105, email: [sunilcs\\_mumbai@rediffmail.com](mailto:sunilcs_mumbai@rediffmail.com), [agarwalcs\\_mumbai@yahoo.co.in](mailto:agarwalcs_mumbai@yahoo.co.in)  
web: [cssunilagarwal.in](http://cssunilagarwal.in); Cell: +91 9920715299;

Form No. MR-3

## **SECRETARIAL AUDIT REPORT**

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

To,  
The Members,  
**PIOMBINO STEEL LIMITED**  
6<sup>th</sup> Floor, Grande Palladium,  
175 CST Road, Kalina, Santacruz (East),  
Mumbai 400098

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Piombino Steel Limited** bearing CIN U27320MH2018PLC374653 (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 and appears to have complied with the statutory provisions listed hereunder and also that the Company has proper Board-process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I hereby report that the Company has complied with the provisions of the Companies Act, 2013 (the Act) and the rules made there under and the Memorandum and Articles of Association of the Company with regard to:
  - (a) Maintenance of various statutory registers and documents and making necessary entries therein;
  - (b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities;
  - (c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - (d) Notice of Board meetings of Directors in compliance of the "ACT "as well as Secretarial Standard - 1 (SS 1);
  - (e) Meetings of Directors and passing of circular resolutions;
  - (f) Notice and convening of General Meetings held Secretarial Standard – 2 (SS – 2).
  - (g) Minutes of the proceedings of the Board Meetings and General Meetings;

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# **SUNIL AGARWAL & Co.**

Company Secretaries

**Off:** 124-125, Ostwal Ornate, "A" Wing, Building No. 1, Opp. Jain Temple, Jessel Park, Bhayander (East), Thane-401105, email: [sunilcs\\_mumbai@rediffmail.com](mailto:sunilcs_mumbai@rediffmail.com), [agarwalcs\\_mumbai@yahoo.co.in](mailto:agarwalcs_mumbai@yahoo.co.in)  
web: [cssunilagarwal.in](http://cssunilagarwal.in); **Cell:** +91 9920715299;

- 
- (h) Approvals of the Board of Directors, Members and government authorities, wherever required;
  - (i) Constitution of the Board of Directors and appointment, retirement and reappointment of Directors including Managing Directors and Executive Directors, Independent Directors.
  - (j) Payment of remuneration to Directors, Managing Director and Executive Directors;
  - (k) Appointment and remuneration of Statutory Auditors;
  - (l) Report of the Board of Directors;
  - (m) Generally, all other applicable provisions of the Act and the Rules there under.

## **2. I further report that:**

- (a) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
- (b) The Directors have complied with the disclosure requirements in respect to their eligibility of appointment, their being independent, compliance with the code of conduct for Directors and;
- (c) The Company has obtained all necessary approvals under various provisions of the Act where necessary;
- (d) There was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act, 2013 regulations and guidelines under these Acts.

## **3. I further report that**

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') as amended from time to time and the rules made there under as amended from time to time are not applicable, as the company is an unlisted public Company.
- (ii) The Depositories Act, 1996 as amended from time to time and the Regulations and Bye-laws framed there under are applicable during the period of Audit.
- (iii) Foreign Exchange Management Act, 1999 as amended from time to time and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable during the period of Audit;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time (Not applicable to the company during the audit period).
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the company during the audit period);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2021 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (Not applicable to the company during the audit period).

SUNIL  
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AGARWAL

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# SUNIL AGARWAL & Co.

Company Secretaries

**Off:** 124-125, Ostwal Ornate, "A" Wing, Building No. 1, Opp. Jain Temple, Jessel Park, Bhayander (East), Thane-401105, email: [sunilcs\\_mumbai@rediffmail.com](mailto:sunilcs_mumbai@rediffmail.com), [agarwalcs\\_mumbai@yahoo.co.in](mailto:agarwalcs_mumbai@yahoo.co.in)  
web: [cssunilagarwal.in](http://cssunilagarwal.in); **Cell:** +91 9920715299;

- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the audit period);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not applicable as the Company has not bought back any shares during the period of Audit; and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable to debt listed securities upto March 22, 2024).

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

## Secretarial Standards

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India have been generally complied with by the Company to the extent applicable during the year under review;

### 4. I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

5. **I further report that** in my opinion there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines as provided by the management hereunder;

1. Employees' Provident Fund Scheme, 1952 & Rules Made there under
2. Professional Tax Act
3. Shop & Establishment Act

- 6 **I further report that during** the year under review, Company has redeemed its Listed, Rated, Unsecured, Non-redeemable, Non-Convertible Bonds (NCBs) of Rs.10 lakhs each aggregating to Rs. 2,500 crore in full on its redemption date i.e. March 22, 2024 and also got approval from the BSE Limited for delisting of its NCBs from Stock Exchange. Hence the company has become



# **SUNIL AGARWAL & Co.**

Company Secretaries

**Off:** 124-125, Ostwal Ornate, "A" Wing, Building No. 1, Opp. Jain Temple, Jessel Park, Bhayander (East), Thane-401105, email: [sunilcs\\_mumbai@rediffmail.com](mailto:sunilcs_mumbai@rediffmail.com), [agarwalcs\\_mumbai@yahoo.co.in](mailto:agarwalcs_mumbai@yahoo.co.in)  
web: [cssunilagarwal.in](http://cssunilagarwal.in); **Cell:** +91 9920715299;

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unlisted company and respective provisions of SEBI (LODR) Regulations, 2015, will no longer be applicable on it w.e.f March 22, 2024.

- 7 **I further report that during** the year under review the company has not given any loans or given guarantees to other bodies corporate or persons falling under the provisions of Section 186 of the Act.

**For Sunil Agarwal & Co.  
Company Secretaries**

SUNIL  
SHIVKUMAR  
AGARWAL

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**Sunil Agarwal  
(Proprietor)**

**FCS No. 8706**

**C.P. No. 3286**

**Place: Mumbai**

**Date: 25/04/2024**

**UDIN number: F008706F000235020**

**Peer Review Unit No. 788/2020**





*S. Srinivasan & Co.,*  
Company Secretaries

Office No. 8, 4<sup>th</sup> floor,  
AC Market Building CHS Ltd.,  
Tardeo Road, Mumbai- 400 034  
Tel no.: 022- 4979 0842  
Mobile: +91 93210 25730  
E-mail: mumbaissandco@yahoo.com

**FORM NO. MR- 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

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

To,  
The Members,  
**BHUSHAN POWER & STEEL LIMITED**  
4th Floor, A-2, NTH Complex  
Shaheed Jeet Singh Marg USO Road,  
Qutab Institutional Area, New Delhi  
**DL 110067.**

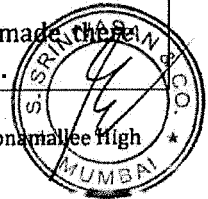
We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHUSHAN POWER & STEEL LIMITED** bearing CIN: U27100DL1999PLC108350 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 by and large appears to have complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- i. The Companies Act, 2013, (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made there under **(Not Applicable to the Company during the period under review).**

**Registered office address:** "Hari Krupa" Building, Ground Floor, 71/1, McNicholas Road, (off Poonamallee High Road), Chetpet, Chennai- 600 031, Tamil Nadu. India  
Mobile: +91 9041092661 | E mail: [srini50@gmail.com](mailto:srini50@gmail.com)





- iii. The Depositories Act, 1996, and the Regulations and Byelaws framed there under.
- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.  
**(Not Applicable to the Company during the period under review).**
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992; ('SEBI Act') are not applicable to the Company during the period under review as the Company is an unlisted company.
- vi. All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

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

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 has been generally complied with by the Company during the financial year under review.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors were carried through based on majority and there were no dissenting views by any Member of the Board during the year under review.





**We further report that,**

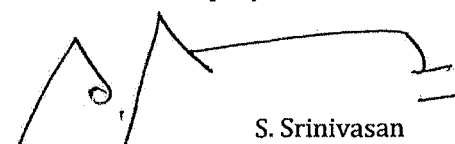
Based on the information provided and the representation made by the Company and on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Whole-time Director taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**We further report that,** during the audit period, there are specific events/ actions occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc.

- The Company has changed its registered office from National Capital Territory Delhi to the State of Maharashtra vide Special resolution no. 7 dated 13<sup>th</sup> October 2023. (Approval of the Regional Director, North is awaited).
- Re-appointment of Mr. Anil Kumar Singh as President & Whole Time Director effective from 26<sup>th</sup> March 2024 till 31<sup>st</sup> May 2025.

For *S. Srinivasan & Co.*  
Company Secretaries



S. Srinivasan  
Practicing Company Secretary  
FCS: 2286 | CP. No.: 748  
UDIN: F002286F000211495

Place: Mumbai  
Date: 22.04.2024



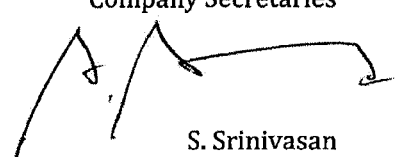
**Annexure A**

To,  
The Members,  
**BHUSHAN POWER & STEEL LIMITED**  
4th Floor, A-2, NTH Complex  
Shaheed Jeet Singh Marg USO Road,  
Qutab Institutional Area, New Delhi  
**DL 110067.**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For *S. Srinivasan & Co.*,  
Company Secretaries

  
S. Srinivasan  
Practicing Company Secretary  
FCS: 2286 | CP. No.: 748  
UDIN: F002286F000211495

Place: Mumbai  
Date: 22.04.2024



# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## ANNEXURE C

### FORM NO. AOC-2

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

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:-

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
(Nil)								
(All contracts or arrangements or transactions with related parties were at arm's length basis)								

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:-

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
1.	JSW Steel Limited	Trading of Steel Products	Annual	Rs. 562.23 crores	Approved by Audit Committee	Nil
2.	JSW Steel Coated Products Limited	Trading of Steel Products	Annual	Rs. 472.78 crores	Approved by Audit Committee	Nil
3.	Bhushan Power & Steel Ltd	Trading of Steel Products	Annual	Rs. 192.42 crores	Approved by Audit Committee	Nil

Note: Refer the related party transactions under Ind AS at Note No 24 of the financial statements of 2023-24.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**

  
**Anil Kumar Singh**  
Chairman  
DIN: 02059903

Place: **Mumbai**  
Date: May 07, 2024



# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **Annexure D to Directors Report**

### **Annual Report on Corporate Social Responsibility Activities**

1. Brief outline on CSR Policy of the Company.

CSR policy, reflecting ethos of the Company, broad areas of CSR interest and overview of activities, proposes rural focus and woman empowerment.

Policy states the list of activities/projects undertaken/to be undertaken in future.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Mrs.) Rakhi Jain	Chairperson	01	01
2.	Mr. Anil Kumar Singh	Member	01	01
3.	Mr. Anunay Kumar	Member	01	01

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. [www.jsw.in//groups>piombino-steel-limited](http://www.jsw.in//groups>piombino-steel-limited).
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable **Not Applicable**
5. (a) Average net profit of the Company as per sub-section (5) of Section 135 **₹ 96.82. Cr**
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 **₹ 193.65 Lac**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. **Nil**
- (d) Amount required to be set-off for the financial year, if any **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. **₹ 193.65.**
6. (a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project): **₹ 193.65.**
- (b) Amount spent in Administrative Overheads : **Nil**
- (c) Amount spent on Impact Assessment, if applicable. **Nil**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. **₹ 193.65.**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)	
	Total Amount transferred to Unspent CSR Account as sub-section (6) of Section 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of Section 135



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Website: <https://www.jsw.in/groups/piombino-steel-limited>

	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
<b>₹193.65 Lacs</b>	<b>Nil</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

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

Sl. No	Particular	Amount (in Rs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	<b>₹ 193.65.</b>
(ii)	Total amount spent for the Financial Year	<b>₹ 193.65.</b>
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	<b>Nil</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	<b>Nil</b>
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	<b>Nil</b>

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

1	2	3	4	5	6	7	8
Sl No	Proceeding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs)	Balance Amount in Unspent CSR Account under sub - section (6) of Section 135 (in Rs)	Amount spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub - section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer	
1.	FY-1	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NA</b>	<b>NIL</b>
2.	FY-2						
3.	FY-3						

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

	Yes		No
--	-----	--	----

If yes, enter the number of Capital assets created / acquired :



# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	Name	Registered address

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

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

**For and on behalf of the Board of Directors**



**Dr. Rakhi Jain**  
(Chairperson CSR Committee)



**Anil Kumar Singh**  
(Director)



**PIOMBINO STEEL LIMITED**  
Standalone Balance Sheet as at March 31, 2024  
CIN No. - U27320MH2018PLC374653

		Rs. in crores	
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>I ASSETS</b>			
Non-current assets			
(a) Investment in a subsidiary	2	8,550.00	8,550.00
(b) Deferred tax assets (net)	23(A)	0.03	0.04
(c) Current tax assets (net)	3	26.39	23.84
<b>Total non-current assets</b>		<b>8,576.42</b>	<b>8,573.88</b>
Current assets			
(a) Inventories	4	-	4.18
(b) Financial assets			
(i) Trade receivables	5	117.49	36.91
(ii) Cash and cash equivalents	6	1.19	0.03
(iii) Other financial assets	7	1,461.45	951.37
(c) Other current assets	8	25.67	24.93
<b>Total current assets</b>		<b>1,605.80</b>	<b>1,017.42</b>
<b>Total Assets</b>		<b>10,182.22</b>	<b>9,591.30</b>
<b>II EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity share capital	9	6,092.92	6,092.92
(b) Other equity	10	456.03	261.05
<b>Total Equity</b>		<b>6,548.95</b>	<b>6,353.96</b>
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	3,256.27	112.27
(ii) Other financial liabilities	12	35.89	6.09
<b>Total non-current liabilities</b>		<b>3,292.16</b>	<b>118.36</b>
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	-	2,481.36
(ii) Trade payables			
(a) Total outstanding due of micro and small enterprises	14	-	-
(b) Total outstanding due of creditors other than micro and small enterprises		115.10	45.10
(iii) Other financial liabilities	15	134.51	592.51
(b) Other current liabilities	16	91.50	-
<b>Total current liabilities</b>		<b>341.11</b>	<b>3,118.97</b>
<b>Total Liabilities</b>		<b>3,633.27</b>	<b>3,237.33</b>
<b>Total Equity and Liabilities</b>		<b>10,182.22</b>	<b>9,591.30</b>

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172570  
UDIN: 24172670BK8IYC3967  
Place: Mumbai  
Date: May 07, 2024



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

For and on behalf of the Board of Directors

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer





**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2024**  
**CIN No. - U27320MH2018PLC374653**

		Rs. in crores	
Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenue from operations	17	644.86	45.46
II. Other income	18	595.12	537.94
III. Total income (I+II)		<u>1,239.98</u>	<u>583.40</u>
IV. Expenses			
Purchase of stock-in-trade	19	639.53	49.89
Change in inventory of Stock-in trade	-	4.18	(4.18)
Finance costs	20	332.60	311.98
Other expenses	21	2.44	1.02
Total expenses		<u>978.75</u>	<u>358.71</u>
V. Profit before tax (III-IV)		<u>261.23</u>	<u>224.69</u>
VI. Tax expense/(credit)	23		
Current tax		66.24	56.69
Deferred tax		0.01	(0.04)
		<u>66.25</u>	<u>56.65</u>
VII. Profit for the year (V-VI)		<u>194.98</u>	<u>168.04</u>
VIII. Other comprehensive income/ (loss)			
IX. Total comprehensive income/ (loss) for the year (VII+VIII)		<u>194.98</u>	<u>168.04</u>
X. Earnings per equity share of Rs. 10 each			
Basic (in Rs.)	22	0.32	0.28
Diluted (in Rs.)		0.32	0.28

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*parth p patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 24172670BKBYC3967  
Place: Mumbai  
Date: May 07, 2024



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

For and on behalf of the Board of Directors

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer





**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2024**  
**CIN No. - U27320MH2018PLC374653**

	Rs. in crores	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	261.23	224.69
Adjustments for:		
Finance costs	332.60	311.98
Interest income	(595.12)	(537.94)
Operating (loss) before working capital changes	(1.29)	(1.27)
Adjustments for:		
(Increase)/Decrease in trade receivables	(80.58)	408.12
Decrease in other assets	63.54	36.58
Increase/(Decrease) in trade payables and other liabilities	156.18	(402.52)
Cash flow from operations	137.85	40.91
Income taxes paid	(68.78)	(53.70)
Net cash generated from/(used in) operating activities (A)	69.07	(12.78)
<b>B. Cash flow from investing activities</b>		
Interest received	24.94	-
Net cash generated from investing activities (B)	24.94	-
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	3,144.00	56.27
Repayment of current borrowings	(2,500.00)	-
Interest paid	(736.85)	-
Annual fees paid	-	(47.69)
Net cash (used in)/generated from financing activity (C)	(92.85)	8.58
Net Increase/ (decrease) in cash and cash equivalents (A+B+C)	1.16	(4.20)
Cash and cash equivalents at the beginning of the year	0.03	4.23
Cash and cash equivalents at the end of the year	1.19	0.03

**Note:**

1. The statement of cash flows is prepared using the "indirect method" set out in Ind AS 7 "Statement of Cash Flows".

II. Reconciliations part of cash flows

Particulars	Rs. in crores
<b>Borrowings</b>	
Balance as on March 31, 2022	2,525.22
Unamortised upfront fees	12.14
Loan from a related party	56.27
Balance as on March 31, 2023	2,593.63
Unamortised upfront fees	18.64
Loan from a related party	3,144.00
Redemption of unsecured Non-Convertible Bonds (NCBs)	(2,500.00)
Balance as on March 31, 2024	3,256.27

See accompanying notes to the standalone financial statements

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W

Parth P Patel

Partner

Membership No.: 172670

UDIN: 24172670BKBIYC3967

Place: Mumbai

Date: May 07, 2024



\* For and on behalf of the Board of Directors

Kaustubh Kulkarni  
Chief Executive Officer

Divyakumar Bhair  
Director  
DIN: 08568679

Anil Kumar Singh  
Director  
DIN: 02059903

Alok Kumar Mishra  
Company Secretary  
M. No. A15967

Mohit Goyal  
Chief Financial Officer





**PIOMBINO STEEL LIMITED**  
**Standalone Statement of changes in equity for the year ended March 31, 2024**  
**CIN No. - U27320MH2018PLC374653**

**(a) Equity share capital**

Particulars	Rs. in crores
As at March 31, 2022	6,092.92
Movement during the year	-
As at March 31, 2023	6,092.92
Movement during the year	-
As at March 31, 2024	6,092.92

**(b) Other equity**

Particulars	Reserves & Surplus			Money received against share warrants	Total
	Retained earnings	Debtore Redemption Reserve	Capital Reserve on account of business combination		
Opening balance as at April 1, 2022	78.54	-	0.47	14.00	93.01
Profit for the year	168.04	-	-	-	168.04
Transfer to debtore redemption reserve	(246.58)	246.58	-	-	-
Closing balance as at March 31, 2023	-	246.58	0.47	14.00	261.05
Profit for the period	194.98	-	-	-	194.98
Transfer from debtore redemption reserve	246.58	(246.58)	-	-	-
Closing balance as at March 31, 2024	441.56	-	0.47	14.00	456.03

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

Parth P Patel  
Partner  
Membership No.: 172570  
UDIN: 24172670BKBYC3967  
Place: Mumbai  
Date: May 07, 2024



For and on behalf of the Board of Directors

 Kaustubh Kulkarni Chief Executive Officer	 Divyakumar Bhalir Director DIN: 08568679	 Anil Kumar Singh Director DIN: 02059903
 Alok Kumar Mishra Company Secretary M. No. A15957	 Mohit Goyal Chief Financial Officer	





**General Information**

Piombino Steel Limited ("the Company") is incorporated in India on September 21, 2018 under the Companies Act, 2013 with its registered office located at 6th Floor, Grande Palladium, 175, CST Road, Kolivery Village, MMRDA Area, Kalina, Santacruz East, Mumbai 400098.

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substances, alloys and metal scrap of all kinds.

**1A. Recent accounting pronouncements:**

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

**1B. Material accounting policies****I. Statement of compliance:**

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on May 7, 2024.

**II. Basis of preparation and presentation:**

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

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

In addition, for financial reporting purposes, fair value measurements are 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.

The Standalone Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 except when otherwise stated.

**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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

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

### **III. Revenue recognition**

#### **Sale of Goods**

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.

#### **Interest income**

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

### **IV. Borrowing costs**

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

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

### **V. 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.





Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone 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 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 year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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 recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**VI. 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 labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.

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.

**VII. Provisions**

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

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

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.

**VIII. Investment in subsidiary:**

Investment in subsidiary is shown at cost in accordance with option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the





difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

**IX. 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 Standalone Statement of Profit and Loss.

**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**

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

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

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

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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised 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 and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is 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) 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 and loss and is included in the 'Other income' line item.

**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**

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

**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.





### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

### X. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

### XI. Cash and cash equivalents:

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

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

### XII. Earnings per share:

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

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

### XIII. Business Combination

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

### 1C. Key sources of estimation uncertainty and critical accounting judgements:

In the course of applying the policies outlined in all notes under section 1 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.

#### Key sources of estimation uncertainty:

#### Impairment of investments in subsidiary

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.





Taxes

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





## 2. Investment in Subsidiaries

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Unquoted</b>				
<b>Investment at cost</b>				
<b>(a) Investment in equity instruments</b>				
<b>Subsidiary</b>				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	100,000,000	100.00	100,000,000	100.00
<b>(b) Investment in compulsory convertible debentures (CCDs)</b>				
<b>Subsidiary</b>				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	8,450,000,000	8,450.00	8,450,000,000	8,450.00
<b>Total Investment</b>	<b>8,550,000,000</b>	<b>8,550.00</b>	<b>8,550,000,000</b>	<b>8,550.00</b>
<b>Total</b>		<b>8,550.00</b>		<b>8,550.00</b>
<b>Unquoted</b>				
<b>Aggregate carrying value</b>		<b>8,550.00</b>		<b>8,550.00</b>

### Notes

a) The CCDs shall have a term of 5 (five) years commencing from the date on which the CCDs are issued and allotted i.e. March 25, 2021. The CCDs holders are entitled to receive a coupon on an annual basis at the rate of 6% per annum from the date of issue and allotment of CCDs. The CCDs coupon shall be payable on end of quarter from commencement of each subsequent quarter in which the interest became due. Each CCD is convertible at any time during the CCD term into one equity shares of face value of Rs. 10. The holder of CCDs subject to their discretion shall have the right to direct the company to convert any or all the CCDs at any time during the CCD term.

b) The Company's investments in CCD's of Bhushan Power & Steel Limited amounting to Rs.8,450 crores were classified as fair value through profit and loss in the earlier years. In terms of para 2.1(a) of Ind AS 109, investment as 'interest in subsidiaries' are scoped out from measurement principles of Ind AS 109. Accordingly, this investment basis Ind AS 109 and the terms should be treated as part of 'interests in subsidiaries' and carried at cost less impairment other than Ind AS 109. During the previous year ended March 31, 2023, based on technical note from expert obtained by the Company, it has reclassified the said investments from Investment in Subsidiary at FVTPL to Investment in Subsidiary at Cost.

## 3. Current tax assets (Net)

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Tax Deducted at Source (net of provision for tax)	26.39	23.84
	<b>26.39</b>	<b>23.84</b>

## 4. Inventories

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Stock-in-trade* (at cost or net realisable value)	-	4.18
	<b>-</b>	<b>4.18</b>

\* Pertains to stock-in-transit of Rs. NIL (31st March 2023 : Rs 4.18 crores)

## 5. Trade receivables

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Trade Receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	117.49	36.91
Trade Receivables which have significant increase in credit risk	-	-
Less: Allowance for doubtful debts	-	-
Trade Receivables - credit impaired	-	-
Less: Allowance for doubtful debts	-	-
	<b>117.49</b>	<b>36.91</b>

### Ageing as at 31 March 2024:

Particulars	Not yet due	Outstanding for following periods from due date of payment as at Mar 31, 2024				
		Less than 6 months	6 months -1 year	1-2 years	More than 2 years	Total
Undisputed trade receivables - considered good	65.69	41.76	4.13	5.90	-	117.49
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	-	-





**PIOMBINO STEEL LIMITED**
**Notes forming part of the standalone financial statements**
**Ageing as at 31 March 2023:**

Particulars	Outstanding for following periods from due date of payment as at 31 March 2023					
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	More than 2 years	Total
Undisputed trade receivables - considered good	36.91	-	-	-	-	36.91
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	-	-

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Trade receivables does not include any receivables from directors and officers of the Company.

Details of trade receivables from related parties has been described in note 24.

Credit risk management regarding trade receivables has been described in note 26.4.

**6. Cash and cash equivalents**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Balances with bank		
in current accounts	1.19	0.03
	<b>1.19</b>	<b>0.03</b>

**7. Other current financial assets (unsecured)**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Security deposit	0.27	0.27
Interest receivable on compulsory convertible debentures (CCDs)		
- from related parties	1,461.17	951.09
Other financial assets	0.01	0.01
	<b>1,461.45</b>	<b>951.37</b>

**8. Other current assets**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Indirect tax balances/recoverable/credits	25.67	24.93
	<b>25.67</b>	<b>24.93</b>

**9. Equity share capital**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Share Capital				
(a) Authorised:				
Equity shares of Rs. 10 each	12,000,000,000	12,000.00	12,000,000,000	12,000.00
(b) Issued and subscribed				
Outstanding at the beginning of the year, fully paid up	6,100,000,000	6,092.92	6,100,000,000	6,092.92
Add: Movement during the year	-	-	-	-
Outstanding at the end of the year, fully paid up	6,100,000,000	6,092.92	6,100,000,000	6,092.92

**(c) Rights, preferences and restrictions attached to equity shares :**

The Company has single class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

**(d) Details of shareholders holding more than 5% shares in the Company are set out below:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Shares	No. of Shares	% of Shares
JSW Steel Limited (JSW Steel) (including nominees)	5,080,000,000	83.28%	5,080,000,000	83.28%
JSW Shipping & Logistics Private Limited	1,020,000,000	16.72%	1,020,000,000	16.72%

**(e) Promoter's shareholding :**

Promoter Name	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Steel Limited, the Holding Company	5,080,000,000	83.28%	5,080,000,000	83.28%	0.00%
JSW Shipping & Logistics Private Limited	1,020,000,000	16.72%	1,020,000,000	16.72%	0.00%

(f) Shares Allotted as Fully Paid-up pursuant to contracts without payment being received in cash during the year of five years immediately preceding the date of the balance sheet are as under : NIL





**PIOMBINO STEEL LIMITED**  
**Notes forming part of the standalone financial statements**  
**10. Other equity**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Retained earnings	441.56	-
Capital reserve	0.47	0.47
Money received against share warrants	14.00	14.00
Debenture redemption reserve	-	246.58
	<b>456.03</b>	<b>261.05</b>

**(a) Retained earnings**

Retained earnings are the profits/(losses) that the Company has earned till date. It is a free reserve available to the Company.

**(b) Capital reserve**

Reserve is created primarily on merger as per statutory requirement. This reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

**(c) Money received against share warrants**

The Company has issued 3,500,000,000 share warrants each to JSW Steel and JSW Shipping respectively with a subscription price of Rs. 0.02 per warrant. The exercise period is five years from the days of issue of the warrants and the warrant holders at their discretion shall be entitled to purchase one equity share of the face value of Rs. 10 each at an exercise price of Rs 10.

**(d) Debenture redemption reserve**

The Indian Companies Act requires Companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. Companies are required to maintain 10% as a reserve of outstanding redeemable debentures. Debenture redemption reserve has been transferred to free reserves on account of redemption of debentures.

**11. Borrowings**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
<b>Non-current borrowings (Unsecured)</b>		
<b>(i) Debentures</b>		
Borrowings through Non convertible bonds (NCBs)	-	2,500.00
Less: Unamortised upfront fees on borrowings	-	(18.64)
	-	<b>2,481.36</b>
Less: Current maturities of long term debt from a related party classified as short term borrowings	-	<b>(2,481.36)</b>
	-	-
<b>(ii) Term loans</b>		
From related party	3,256.27	112.27
	<b>3,256.27</b>	<b>112.27</b>

**(a) Borrowings through NCBs**

Particulars	As at March 31, 2024	As at March 31, 2023	Term of repayment
Non-Convertible Bonds (NCBs)	-	2,500	Unsecured NCBs of Rs. 10,00,000 each aggregating to Rs. 2,500 crores has been redeemed on March 22, 2024 at a premium of 9% compounded annually and paid at redemption.

**(b) Loan from JSW Steel Limited**

The Company had borrowed Rs. 4,00,00,000 from JSW Steel Limited at the interest rate of 10.75% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% and will now be due for repayment on March 31, 2026. Accordingly, the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company had borrowed Rs. 52,00,00,000 from JSW Steel Limited at the interest rate of 11.25% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% and will now be due for repayment on March 31, 2026. Accordingly the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company had borrowed Rs. 56,27,12,500 from JSW Steel Limited at the interest rate of 11.25% which was due for repayment on March 31, 2024 however, the said loan has been extended by another two years through an amendment to a original loan agreement at the revised interest rate of 10.65% and will now be due for repayment on March 31, 2026, accordingly the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has borrowed Rs. 378,00,00,000 from JSW Steel Limited bearing an interest rate of 10.60% and is repayable after two years from the date of respective disbursement date (i.e June 30, 2025)

The Company has borrowed Rs. 2766,00,00,000 from JSW Steel Limited bearing an interest rate of 10.65% and is repayable after two years from the date of respective disbursement date (i.e March 20, 2026)

**12. Other non-current financial liabilities**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	35.89	6.09
	<b>35.89</b>	<b>6.09</b>





**PIOMBINO STEEL LIMITED**  
Notes forming part of the standalone financial statements

**13. Borrowings**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Current borrowings		
Current maturities of non convertible debenture (refer note 11)	-	2,481.36
	-	2,481.36

**14. Trade payables**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding, dues of micro and small enterprises	-	-

**Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company)**

Description	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Principal amount due outstanding as at end of year	-	-
Principal amount overdue more than 45 days	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

**(b) Total outstanding, dues of creditors other than micro and small enterprises**

Acceptances	-	-
Other than acceptances	115.10	45.10
	115.10	45.10

**Ageing as at March 31, 2024**

Particulars	Unbilled	Not yet due	Outstanding for following periods from due date of payment			Total
			Less than 1 year	1-2 years	More than 2 years	
MSME	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-
Others than acceptances	0.10	113.99	-	1.01	-	115.10
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

**Ageing as at March 31, 2023**

Particulars	Unbilled	Not yet due	Outstanding for following periods from due date of payment			Total
			Less than 1 year	1-2 years	More than 2 years	
MSME	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-
Others than acceptances	0.13	43.94	-	1.03	-	45.10
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Payables are normally settled within 180 days.

Trade payables from related parties details has been described in note 24

**15. Other current financial liabilities**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	134.51	116.46
Premium on redemption of non-convertible debentures	-	476.06
	134.51	592.52

**16. Other current liabilities**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Advance from customer	12.47	-
Statutory liabilities	79.02	-
	91.50	-





PIOMBINO STEEL LIMITED  
Notes forming part of the standalone financial statements

17. Revenue from operations

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of traded goods	644.86	45.46
	<b>644.86</b>	<b>45.46</b>
<b>Product-wise turnover</b>		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Hot rolled coils	644.86	45.46
	<b>644.86</b>	<b>45.46</b>

Ind AS 115 (Revenue from contracts with customers)

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

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 27) :

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customer - sale of products</b>		
Trading of steel products	644.86	45.46
	<b>644.86</b>	<b>45.46</b>
<b>Total revenue from operations</b>		
India	644.86	45.46
Outside India	-	-
	<b>644.86</b>	<b>45.46</b>
<b>Timing of revenue recognition</b>		
At a point in time	644.86	45.46
	<b>644.86</b>	<b>45.46</b>

Contract balances

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Trade receivables (refer note 5)	117.49	36.91

18. Other income

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income earned on financial assets designated as amortised cost		
Compulsory convertible debentures (CCDs)	570.19	537.92
Bank Deposits	24.88	-
Other miscellaneous income	0.05	0.02
	<b>595.12</b>	<b>537.94</b>

19. Purchase of stock-in-trade

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	639.53	49.89
	<b>639.53</b>	<b>49.89</b>

20. Finance costs

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Premium on redemption of non-convertible debentures	260.79	245.73
Interest on borrowings from related parties (refer note 24)	53.17	6.42
Unwinding of interest on financial liabilities carried at amortised cost	18.64	12.14
Other borrowing costs	-	47.69
	<b>332.60</b>	<b>311.98</b>

21. Other expenses

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Legal and professional fees	0.40	0.51
Miscellaneous expenses	0.10	0.07
CSR expenditure (refer note 21.b)	1.94	0.44
	<b>2.44</b>	<b>1.02</b>

a) Auditors remuneration (excluding tax) included in legal and professional Fees  
As Statutory audit fees (including limited reviews)

Rs. in crores  
0.14 0.25





PIOMBINO STEEL LIMITED  
Notes forming part of the standalone financial statements

b) Corporate social responsibility (CSR)

Rs. in crores

The Company has incurred an amount of Rs. 1.94 crores (31 March, 2023 Rs. 0.44 crores) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

Particular	For the year ended 31 March ,2024		For the year ended 31 March ,2023	
	In- Cash	Yet to be paid in cash	In- Cash	Yet to be paid in cash
(a) Gross amount required to be spent by the Company during the year	1.94	-	0.44	-
(b) Amount spent on:				
(i) Construction / acquisition of assets				
(ii) On purposes other than (i) above (for CSR projects)	1.94	-	-	0.44
Amount paid to JSW Foundation, a related party in relation to CSR expenditure(refer note 24)				
(c) Details of related party transactions				
(d) Nature of CSR activities	1. Public health infrastructure, capacity building & support programs 2. Project management cost			

22. Earnings per share

Rs. in crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit/(loss) attributable to equity shareholders for the year (A)	194.98	168.04
Weighted average number of equity shares for the purpose of calculating basic earnings per share (B)	6,100,000,000	6,100,000,000
Weighted average number of equity shares for the purpose of calculating diluted earnings per share (C)	6,100,000,000	6,100,000,000
Earnings per share		
Basic (Face value of Rs. 10 each) (A/B)	0.32	0.28
Diluted (Face value of Rs. 10 each) (A/B)	0.32	0.28

23. Income Tax

A. Income Tax expense

Rs. in crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	66.24	56.69
Deferred tax	0.01	(0.04)
<b>Total tax expense</b>	<b>66.25</b>	<b>56.65</b>

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Effective tax rate reconciliation</b>		
Profit before tax	261.23	224.69
Enacted tax rate in India	25.17%	25.17%
<b>Expected income tax expense at statutory tax rate</b>	<b>65.75</b>	<b>56.65</b>
<b>Tax effect of expenses not deductible in determining taxable profits</b>		
Deferred tax	0.01	0.04
Tax Provision/(reversal) for earlier years on finalisation of income tax returns	0.49	-
<b>Tax expense for the year</b>	<b>66.24</b>	<b>56.69</b>
<b>Effective income tax rate</b>	<b>25.36%</b>	<b>25.23%</b>

B. Deferred tax asset (net)

Rs. in crores

Deferred tax balance in relation to	As at 31-Mar-23	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 31-Mar-24
Others	0.04	(0.01)	-	0.03
<b>Total tax expense</b>	<b>0.04</b>	<b>(0.01)</b>	<b>-</b>	<b>0.03</b>

Deferred tax balance in relation to	As at 31-Mar-22	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 31-Mar-23
Others		0.04	-	0.04
<b>Total tax expense</b>	<b>-</b>	<b>0.04</b>	<b>-</b>	<b>0.04</b>





**PIOMBINO STEEL LIMITED**

Notes forming part of the standalone financial statements

**24. Related party disclosures as required by Ind AS 24**

**A. Relationships**

**1. Holding Company**

JSW Steel Limited

**2. Subsidiary Company**

Bhushan Power & Steel Limited

**3. Fellow Subsidiary Company**

JSW Steel Coated Products Limited

Asian Color Coated Ispat Limited (amalgamated with JSW Steel Coated Products Limited with effect from February 24, 2023)

National Steel and Agro Industries Limited

**4. Key Management Personnel**

Mr. Kaustabh Kulkarni

Chief Executive Officer

Mr. Mohit Goyal

Chief Financial Officer

Mr. Alok Kumar Mishra

Company Secretary

**5. Board of Directors**

Mr. Manoj Kumar Mohta

Non-Independent Non-Executive Director

Mr. Anil Kumar Singh

Non-Independent Non-Executive Director

Mr. Divyakumar Bhair

Non-Independent Non-Executive Director

Mr. Anunay Kumar

Independent Non-Executive Director

Dr. (Mrs.) Rakhi Jain

Independent Non-Executive Director

**6. Other related party**

JSW Shipping & Logistics Private Limited

**B. Transactions with related parties**

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Bhushan Power &amp; Steel Limited</b>		
Purchase of steel products	192.42	-
Interest income	570.19	537.92
<b>JSW Steel Limited</b>		
Loan received	3,144.00	56.27
Finance costs	53.17	6.42
Purchase of steel products	557.16	41.81
Sale of steel products	5.07	-
Rent expense	0.02	0.01
<b>JSW Steel Coated Products Limited</b>		
Sale of steel products	472.78	23.39
<b>National Steel and Agro Industries Limited</b>		
Sale of steel products	278.82	-
<b>JSW Foundation</b>		
CSR expenditure	1.94	0.44
<b>Director Remuneration</b>		
Remuneration to Kaustabh Kulkarni*	0.00	0.00

\*Rs. 1000

**Notes:**

1. Transactions are inclusive of taxes wherever applicable.

**Compensation to key management personnel:**

Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
<b>Total Compensation to key management personnel</b>	<b>-</b>	<b>-</b>

2. The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company paid to them by way of sitting fees during current year is Rs. 0.044 crores (previous year Rs. 0.018 crores), which is not included above.

**Terms and conditions :**

**Sales**

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties

**Purchases**

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.





**PIOMBINO STEEL LIMITED**
**Notes forming part of the standalone financial statements**
**C. Balances with related parties**

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
<b>Bhushan Power &amp; Steel Limited</b>		
Interest receivable	-	-
Trade Payables	12.69	-
<b>JSW Steel Limited</b>		
Loan outstanding	3,256.27	112.27
Interest payable	170.40	122.08
Trade payables	96.20	43.59
Trade receivables	5.07	-
<b>JSW Steel Coated Products Limited</b>		
Trade receivables	-	23.38
Advance received from customer	12.47	-
<b>National Steel and Agro Industries Limited</b>		
Trade receivables	102.39	-
<b>JSW Shipping &amp; Logistics Private Limited</b>		
Interest payable	0.47	0.47
<b>JSW Foundation</b>		
CSR expenditure	-	0.44

**25. Financial Instruments**
**25.1 Capital Risk Management**

The Company maintains a strong credit rating through optimum mix of debt and equity. The principal source of funding of the Company is from inter corporate loans, capital markets and investors. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio. The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Particulars	Rs. in crores	
	As at March 31, 2024	As at March 31, 2023
Borrowings	3,256.27	2,593.63
Less: Cash and cash equivalent	(1.19)	(0.03)
<b>Net debt</b>	<b>3,255.08</b>	<b>2,593.60</b>
<b>Total equity</b>	<b>6,548.95</b>	<b>6,353.96</b>
<b>Gearing ratio</b>	<b>0.50</b>	<b>0.41</b>

Equity includes all capital and reserves of the Company that are managed as capital and debt is defined as long and short term borrowings.

Debt is defined as long and short term borrowings as described in notes 11 and 13

**25.2 Categories of financial instruments**

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

As at March 31, 2024					Rs. in crores
Particulars	Amortised cost	Fair value through profit and loss	Fair value through OCI	Total carrying value	Total fair value
<b>Financial assets</b>					
Trade receivables	117.49	-	-	117.49	117.49
Cash and cash equivalents	1.19	-	-	1.19	1.19
Other financial assets	1,461.45	-	-	1,461.45	1,461.45
<b>Total</b>	<b>1,580.13</b>	<b>-</b>	<b>-</b>	<b>1,580.13</b>	<b>1,580.13</b>
<b>Financial liabilities</b>					
Long term borrowings (including current maturities)	3,256.27	-	-	3,256.27	3,256.27
Trade payables	115.10	-	-	115.10	115.10
Other financial liabilities	170.40	-	-	170.40	170.40
<b>Total</b>	<b>3,541.77</b>	<b>-</b>	<b>-</b>	<b>3,541.77</b>	<b>3,541.77</b>
As at March 31, 2023					Rs. in crores
Particulars	Amortised cost	Fair value through profit and loss	Fair value through OCI	Total carrying value	Total fair value
<b>Financial assets</b>					
Trade receivables	36.91	-	-	36.91	36.91
Cash and cash equivalents	0.03	-	-	0.03	0.03
Other financial assets	951.37	-	-	951.37	951.37
<b>Total</b>	<b>988.31</b>	<b>-</b>	<b>-</b>	<b>988.31</b>	<b>988.31</b>
<b>Financial liabilities</b>					
Long term borrowings (including current maturities)	2,593.63	-	-	2,593.63	2,593.63
Trade payables	45.10	-	-	45.10	45.10
Other financial liabilities	598.60	-	-	598.60	598.60
<b>Total</b>	<b>3,237.33</b>	<b>-</b>	<b>-</b>	<b>3,237.33</b>	<b>3,237.33</b>

**26. Fair value hierarchy of financial instruments**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature. A significant part of the financial assets is classified as Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in debt securities, accordingly, any material volatility is not expected.





**PIOMBINO STEEL LIMITED**

Notes forming part of the standalone financial statements

Details of financial assets/liabilities measured at amortised cost but fair value disclosed in category-wise

Particulars	Level and valuation techniques*	Rs. in crores	
		As at March 31, 2024	As at March 31, 2023
<b>Long term borrowings (Including current maturities)</b>	Level 2, estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities.		
Carrying value		3,256.27	2,593.63
Fair value		3,256.27	2,593.63

\*There have been no transfers between Level 1 and Level 2 during the period.

**26.1 Market risk management**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

**26.2 Interest risk management**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees with fixed rates of interest.

**26.3 Liquidity risk management**

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

As at March 31, 2024

Particulars	Rs. in crores		
	< 1 year	1-5 years	> 5 years
<b>Financial assets</b>			
Trade receivables	111.59	5.90	-
Cash and cash equivalents	1.19	-	-
Other financial assets	1,461.45	-	-
<b>Total</b>	<b>1,574.22</b>	<b>5.90</b>	<b>-</b>
<b>Financial liabilities</b>			
Long term borrowings	-	3,256.27	-
Trade payables	114.09	1.01	-
Other financial liabilities	134.51	35.89	-
<b>Total</b>	<b>248.60</b>	<b>3,293.17</b>	<b>-</b>

As at March 31, 2023

Particulars	Rs. in crores		
	< 1 year	1-5 years	> 5 years
<b>Financial assets</b>			
Trade receivables	36.91	-	-
Cash and cash equivalents	0.03	-	-
Other financial assets	951.37	-	-
<b>Total</b>	<b>988.31</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>			
Long term borrowings	2,481.36	112.27	-
Trade payables	45.10	-	-
Other financial liabilities	592.51	6.09	-
<b>Total</b>	<b>3,118.97</b>	<b>118.36</b>	<b>-</b>

**26.4 Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Currently, the Company has limited customer base. The Company selects customers after due diligence based on creditworthiness as a means of mitigating the risk of financial loss from defaults.

**27. Segment reporting**

The Company is in the business of coal and steel products trading activity, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Domestic	644.86	45.46
	<b>644.86</b>	<b>45.46</b>

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

**b. Non-current assets**

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

**c. Customer contributing more than 10% of revenue**

Particulars	Rs. in crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
JSW Steel Coated Products Limited	400.09	23.39
Namco Industries Private Limited	4.19	13.52
National Steel and Agro Industries Limited	236.29	-
	<b>640.56</b>	<b>36.91</b>





## 28. Contingent Liabilities

The Company does not have any contingent liabilities as on March 31, 2024 (March 31, 2023 : NIL).

29. Previous year's figures have been reclassified/regrouped, wherever necessary, to confirm with the current period classification in comply with requirements of the amended Schedule III to the Companies Act, 2013.

## 30. Audit Trails (edit logs)

The Company used tally accounting software which did not have feature for recording audit trails (edit logs) for maintaining its books of account, until 30 November 2023. The Company has started maintaining books of accounts in SAP software with effect from 1 December, 2023 which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. However, the audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. The Company as per its policy has not granted privilege access for change to data in the underlying database as evident from the manual log being maintained in this regard and further privilege access rights to application are restricted only to specific authorised users for which audit trail exists except in certain debugging cases.

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

## 31. Ratio Analysis

S No	Ratios	Numerator	Denominator	FY 23-24	FY 22-23	% Change	Change in ratio in excess of 25% compared to preceding year
1	Current Ratio (In times)	Current Assets	Current Liabilities	4.71	0.33	1343.13%	Change is mainly due to non convertible debenture redemption
2	Debt Equity Ratio (In times)	Total Borrowings	Total Equity	0.50	0.41	21.81%	
3	Debt service coverage ratio (In times)	Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges	Net Finance Charges, Long-term borrowings	0.17	0.19	-13.30%	
4	Return on Equity (%)	Profit after tax	Average Shareholder's equity	3.02%	2.68%	12.77%	
5	Inventory Turnover	Cost of Goods Sold	Average Inventory	308.06	21.88	1308.22%	Change is due to higher sales and no goods lying in the inventory during the current year.
6	Debtors Turnover (In times)	Gross sales	Average Trade receivables	8.35	0.19	4296.38%	Quantum of change is due to increase in turnover is more than increase in trade receivables.
7	Trade payables turnover (In times)	Purchases of stock in-trade + change in inventory	Average trade payables	8.04	0.19	4227.24%	Quantum of change is due to increase in purchases is more than increase in trade payables.
8	Net capital turnover (In times)	Net Sales	Working Capital	0.51	(0.02)	-2456.97%	Increase was primarily on account of higher sales and non convertible debenture redemption
9	Net Profit Margin (%)	Net profit for the year	Total income	15.72%	28.80%	-45.41%	Lower profit margin attributable to increase in CSR expenses and Finance cost
10	Return on capital employed (%)	Profit before Tax, Exceptional Items, Depreciation and Finance Cost	Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	6.06%	6.00%	0.97%	
11	Return on investment <sup>^</sup>	NA	NA	NA	NA	NA	

Note: Above ratios are based on the standalone financial statements of the Company.

<sup>^</sup> The Company has neither made any new investment, nor declared any dividend in the current year. Further, all the investments of the Company are unquoted. Thus, this ratio is not applicable.





32. The Company's financial assets were more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets was more than 50 per cent of the gross income ("Principal Business Test") for the FY 2022-2023. Accordingly, the Company had submitted an application to RBI for waiver to be granted to the Company from registration under Core Investment Companies (Reserve Bank) Directions, 2016 ("CIC Directions") and that it may be construed as an Unregistered Core Investment Company ("CIC") under paragraph 6 of the CIC Directions in absence of it accessing any 'public funds'. However, the Company has not received any response from the RBI against this application till date of this audit report.

For FY 2023-2024, the Company does not satisfy the Principal Business Test for being classified as NBFC. Further, the Company does not have the intent or plan to commence or carry on the business of NBFC. The Company has also obtained a legal opinion in this regard. Accordingly, based on said management representation and considering legal opinion obtained by the Company in this regard, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company.


33. Qualitative disclosures pertaining to Schedule III


- (i) The Company do not have Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company do not have any transactions with struck off companies during the year.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto or Virtual Currency during the year ended March 31, 2024.
- (v) The Company have 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);
  - (vi) The Company have 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);
    - provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961.
- (viii) 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.
- (ix) The Company is not declared wilful defaulter by and bank or financial institution or lender during the year.
- (x) The Company have not borrowed from banks and financial institutions during the year.
- (xi) The Company does not have any immovable property.

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 24172670BKBYC3967  
Place: Mumbai  
Date: May 07, 2024



  
Kaustubh Kulkarni  
Chief Executive Officer

  
Divyakumar Bhair  
Director  
DIN: 08568679

  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

  
Anil Kumar Singh  
Director  
DIN: 02059903

  
Mohit Goyal  
Chief Financial Officer





# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## **AGM NOTICE**

**Notice** is hereby given that the 05<sup>th</sup> **Annual General Meeting** of the Shareholders of **Piombino Steel Limited** will be held on Thursday, July 20, 2023 at 02.30 pm at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements (Audited Balance Sheet, Statement of Profit & Loss and Cash Flow Statement) for the year ended 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon, and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Auditors thereon as circulated to the Members be and are hereby received, considered and adopted".

2. To appoint a Director in place of Mr. Manoj Kumar Mohta (DIN 02339000), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Manoj Kumar Mohta (DIN 02339000), who retires by rotation as a Director at this Annual General Meeting, and being eligible, offer himself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

### **SPECIAL BUSINESS:**

3. **Approval for undertaking Material Related Party Transactions (MRPTs) with JSW Steel Limited.**

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:





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**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**SEBI Listing Regulations**"), the applicable provisions of the Companies Act, 2013 ("Act") and the rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), other applicable statutory provisions and regulations, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum and Articles of Association of Piombino Steel Limited ("the **Company** or **PSL**"), PSL's Policy on Related Party Transactions basis, approval and recommendation of the Audit Committee and Board of Directors of PSL and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines, approval of the members of PSL be and is hereby accorded to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into execute new contract(s)/ arrangement(s) / transaction(s) (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) as mentioned in the explanatory statement, with JSW Steel Limited ("**JSWSL**"), holding of PSL and accordingly a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations and within the meaning of Section 2(76) of the Companies Act, 2013, on such terms and conditions as may be agreed to between PSL and JSWSL for :

- (1) additional funding to the extent of Rs.3,300 crores in the form of investment / loan;
- (2) the extension of maturity of earlier extended loan facility by JSWSL to PSL amounting Rs.200 crores for a further period of two years;
- (3) expenditure on investment / loan to the extent of Rs.800 crores over a period of two years; and
- (4) purchase of steel products and other transactions as set out in the explanatory statement to the extent of Rs.1,450 crores

for an aggregate value upto Rs.5,750 crores during the financial year 2023-24 and 2024-25, subject to such contract(s) / arrangement(s) / transaction(s) being carried out at arm's length and in the ordinary course of business of PSL.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "**Board**", which term shall include any duly authorised Committee constituted by the Board), be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and





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conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities including Governmental / regulatory authorities, as applicable, in this regard and to deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

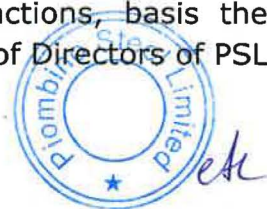
**RESOLVED FURTHER THAT** the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Executive Officer or Chief Financial Officer or Company Secretary & Compliance Officer or any other Officer(s) / Authorised Representative(s) of PSL, to do all such acts and to take such steps, as may be considered necessary or expedient, to give effect to this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, or any person so authorised by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

4. **Approval for Material Related Party Transactions (MRPTs) between Bhushan Power & Steel Limited, a wholly owned subsidiary of the Company and JSW Coated Steel Products Limited, a wholly owned subsidiary of JSW Steel Limited.**

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("Act") and the rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), other applicable statutory provisions and regulations, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum and Article of Association of Piombino Steel Limited ("the **Company** or **PSL**"), PSL's Policy on Related Party Transactions, basis the approval and recommendation of Audit Committee and Board of Directors of PSL





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and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines, approval of the Members of PSL be and is hereby accorded for related party contract(s) / arrangement(s) / transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement, to be entered into and/or to be executed and/or to be continued between Bhushan Power & Limited (BPSL), a wholly owned subsidiary company of PSL (a "Related Party" within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations) and JSW Coated Steel Products Limited (JSW Coated), (a wholly owned subsidiary Company of JSW Steel Limited) for:

- (1) Purchase of Hot Rolled Coils, Cold Rolled Full Hard coils and steel products, spares & other products by JSW Coated from BPSL;
- (2) Sale of spares / zinc dross / equipment / other products by JSW Coated to BPSL;

for an aggregate value upto Rs.7,166 crores during financial year 2023-24 and 2024-25 subject to such contract(s) / arrangement(s) / transaction(s) being carried out at arm's length and in the ordinary course of business of BPSL and JSW Coated.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "**Board**", which term shall include any duly authorised Committee constituted by the Board), be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representation in respect thereof and seek approval from relevant authorities, including Governmental / regulatory authorities, as applicable, in this regard and to deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Executive Officer or Chief Financial Officer or Company Secretary or any other Officer(s) /





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Authorised Representative(s) of PSL, to do all such acts and to take such steps, as may be considered necessary or expedient, to give effect to this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, or any person so authorised by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**By Order of the Board  
For Piombino Steel Limited**



**Alok Kumar Mishra**

Company Secretary & Compliance Officer

Membership No.: A-15967

**Place:** Jharsuguda

**Date:** May 10, 2023





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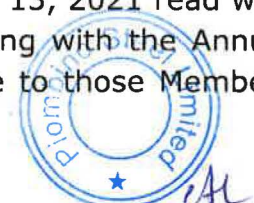
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## NOTES FOR MEMBERS' ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the Company at 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098 by not less than forty-eight (48) hours before the commencement of the Meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

2. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
3. In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
5. Corporate Members are entitled to appoint authorized representatives to attend the AGM and vote on their behalf. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of their Board or governing body's Resolution/Authorisation, authorising their representative to attend the AGM and vote on their behalf.
6. The statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item Nos. 2 to 4 set out above and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the persons seeking appointment/ re-appointment as Director at the AGM, is annexed hereto.
7. In compliance with MCA Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20 dated May 5, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members





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whose email addresses are registered with the Company. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at <https://www.jsw.in/group/piombino-steel-limited>.

8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice or statement will be available for inspection at the Registered office of the Company during all working day from 11.00 A.M to 1.00 P.M. till the date of Annual General Meeting.
9. Members having any queries relating to the Annual Report are requested to send their question at the registered office of the Company at least 7 days before the date of Annual General Meeting.
10. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.
11. Route Map is annexed to this Notice.





# PIOMBINO STEEL LIMITED

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## EXPLANATORY STATEMENT

(Pursuant to Section 230(3) of the Companies Act, 2013 read with Section 102(1) of the Companies Act, 2013)

### **ITEM NO. 3 & 4 :**

Post listing of Non-Convertible Bonds (NCBs) on June 17, 2022, the Company has become high value debt listed entity and various provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") have been applicable to it.

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**SEBI Listing Regulations**), any transaction with a related party shall be considered material, if the transaction(s) entered into / to be entered into individually or taken together with previous transactions during a financial year exceeds Rs.1,000 crores or 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower. All Material Related Party Transactions ("**MRPTs**") shall require prior approval of the shareholders by means of an ordinary resolution, even if the transactions are in the ordinary course of business of the concerned company and on arm's length basis.

The provisions of Regulation 23(4) requiring approval of the shareholders are not applicable for the Material RPTs ("**MRPT**") entered into between a holding Company and its wholly owned subsidiary and MRPTs entered into between two wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. Further Regulation 2(1)(zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between; (i) a listed entity or any of its subsidiaries on the one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged.

Accordingly, RPTs of Piombino Steel Limited ("Company" or "PSL") and RPTs of its holding company and subsidiary company exceeding the aforesaid threshold of Rs.1000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower, shall be treated as Material Related Party Transaction ("**MRPTs**") and are placed for approval of the shareholders of the Company vide item No. 3 & 4.





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The Company has provided the Audit Committee with the relevant details, of the proposed RPTs, as required under the regulations, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has unanimously granted approval for entering into the below mentioned RPTs. The Audit Committee has further noted that the transactions will be at arm's length basis and in the ordinary course of business of the Company. Accordingly, basis the approval of the Audit Committee, the Board of Directors recommended the resolutions contained in Item Nos 3 & 4 of the accompanying Notice to the shareholders for approval.

In terms of the provisions of SEBI Listing Regulations, the related parties as defined thereunder (whether such related party or parties are a party to the aforesaid transactions or not) shall not vote to approve resolutions under item no. 3 & 4.

## ITEM NO. 3

### **Approval for undertaking material related party transaction(s) with JSW Steel Limited**

On March 26, 2021, JSW Steel Limited through the Company completed the acquisition of Bhushan Power & Steel Limited ("**BPSL**") by implementing the resolution plan approved under IBC Code, basis an agreement entered into with the erstwhile Committee of Creditors. BPSL has state-of-art steel production facilities in Odisha catering to both domestic and international market. BPSL operates with an existing capacity of 3.50 MTPA. BPSL has expanded its capacity from 2.75 MTPA to 3.50 MTPA in Phase-1 and is further expanding its capacity from 3.50 MTPA to 4.50 MTPA in Phase-II. The Phase-II expansion is expected to be completed by March 2024.

BPSL has taken the following steps to revive and turnaround its operations:

- Completed the Phase I expansion and increased the capacity from 2.75 MTPA to 3.5 MTPA.
- Restarted the beneficiation plants which helps in consumption of lower grade fine as against procurement of high-grade iron ore resulting in saving in procurement of cost of iron ore.
- Replaced LPG with coke oven gas and sale of surplus coke with the commissioning of coke oven-2.
- Modified converter shell size that increased the in-heat-size and steel production.
- Commissioned filter press enabling increased pellet production and reducing pellet procurement from third parties.





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- Improved capacity utilisation of wire rod mill and other downstream products resulting in higher margins due to enriched product mix.
- Improved efficiencies across all plants due to adoption of best practices.
- Improved product quality and yields leading to better customer satisfaction.

Piombino Steel Limited ("**PSL**") is a subsidiary of JSW Steel Limited (JSWSL) which was incorporated to facilitate the acquisition of Bhushan Power & Steel Limited ("**BPSL**"). JSWSL holds 83.28% of equity in PSL and the remaining equity i.e. 16.72% is held by JSW Shipping & Logistics Private Limited (JSLPL).

JSWSL had invested a sum of Rs.5,087 crores in equity linked instruments in PSL. PSL had received additional equity contribution from JSLPL amounting to Rs.1,027 crores and raised debt through issuance of Non-Convertible Bonds ("NCBs") aggregating Rs.2,500 crores which were subscribed by bond investors. In March 2023, JSWSL purchased NCBs from the original subscribers. The NCBs are due for redemption on 22<sup>nd</sup> March 2024.

BPSL has been generating cash from operations, which is used for expanding the capacity from 3.5 MTPA to 4.5 MTPA and for repayment of debt availed at BPSL at the time of acquisition. Funds from BPSL may be up-streamed after the requirements of BPSL has been met and the ongoing litigation surrounding the acquisition has been disposed off. Hence PSL does not have any source of income to repay the NCBs and accordingly support is required from JSWSL to redeem its NCBs. The amount payable on redemption of NCBs which are due on 22<sup>nd</sup> March 2024 coupled with other working capital requirement, PSL needs funds in the form of investment / loan from JSWSL. Accordingly, PSL requested JSWSL to extend support upto Rs.3,300 crores by way of further investment in form of equity / preference shares / warrants / and intercompany loans. Further PSL has availed unsecured loan amounting to Rs.112 crores against facility of Rs.200 crores from JSWSL, the repayment of which is due on March 31, 2024. The maturity of the loan is required to be extended for a further period of two years.

An investment by JSWSL is in the form of equity / preference shares / warrants would be made in accordance with applicable law i.e. on the back of an independent valuation report.

In case of loan, it would be repaid after two years from the date of disbursement with interest rate determined based on prevailing market interest rates and linked to SBI Marginal Cost Lending Rates plus a mark up to cover the credit risk. The transaction is said to meet arm's length requirements since interest is based on market driven borrowing rates.





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Further, PSL also purchases steel products for its trading activities which is supplied by JSWSL.

The aggregate value of the proposed RPTs is estimated to be Rs.4,625 crores in financial year which exceeds the threshold of Rs.1,000 crores for FY 2023-24 resulting in such transactions being termed as MRPTs under SEBI Listing Regulations and PSL's policy on material RPTs. Accordingly, prior approval of the shareholders of PSL is required to enter into such MRPTs.

Details of the proposed RPT between PSL and JSWSL including information pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2021/662 dated 22 November 2021, as set out below:

Sr. No	Description	Details
<b>1. Details of Summary of information provided by the Management to the Audit Committee</b>		
<b>a.</b>	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	JSW Steel Limited (JSWSL)  JSWSL is holding Company of Piombino Steel Limited. JSWSL holds 83.28% equity stake in PSL. The balance equity stake is held by JSW Shipping & Logistics Private Limited.
<b>b.</b>	Category of Related Party	RPT with Holding company JSWSL under section 2(76) (viii) of the Companies Act, 2013.
<b>c.</b>	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the Directors/KMPs of JSWSL are Directors or KMPs of the Company.
<b>d.</b>	Nature of primary transaction	To availing funding from JSWSL, extend the maturity date of existing loans, expenditure on loan / investment and purchase of steel products.
<b>e.</b>	Proposed transaction with JSWSL	Proposal for unsecured funding of Rs. 3,300 crores from JSWSL in the form of equity / preference shares / warrants / or intercompany loan, extend the tenure of existing loan facility amounting to Rs.200 crores for a further period of 2 years, expenditure on loan / investment amount to Rs.800 crores and purchase of steel





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		products amount to Rs.1,400 crores and others amounting to Rs.50 crores.
<b>f.</b>	Nature, material terms, monetary value and particulars of contracts or arrangement	Provided in Table B below
<b>g.</b>	Value of the proposed transactions for which approval is sought from shareholders	Rs.5,750 Crores
<b>h.</b>	Amount paid as advance if any	Not Applicable
<b>g.</b>	Transactions with the related party for the past three financial Years	<u>FY 2022-23 : Rs. 105 crores</u> <u>FY 2021-22 : Rs. 877 crores</u> <u>FY 2020-21 : Rs. 5,086 crores</u>
<b>i.</b>	Percentage of annual consolidated turnover of counter party considering FY 2022-23 as the immediately preceding financial year represented by the value of the proposed transaction	<u>JSWSL's consolidated turnover for FY 2022-23: Rs. 1,63,646 crores.</u> <u>Proposed Transaction value for FY 2023-24 : Rs. 4,625 crores.</u> <u>Percentage ; 2.82%</u>
<b>j.</b>	Percentage of annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year represented by the value of the proposed RPT	The Company's Consolidated Turnover: Rs. 20,002 crore Proposed transaction value for FY 2023-24: Rs. 4,625 crores % of Consolidated turnover: 23.12%
<b>k.</b>	Consolidated total revenue, assets and net worth of the counter party for FY 2022-23	For JSWSL: Total revenue: Rs. 1,63,646 Crores Total assets: Rs. 2,11,078 Crores Net worth: Rs. 67,039 Crores
<b>2 Justification / economic benefits from the RPTs</b>		
<b>a.</b>	Justification as to why the RPT is in the interest of the listed Entity	Please refer to "Background, details and benefits of the transaction" given under item no. 3 of the explanatory statement forming part of the Notice above.
<b>b.</b>	Economic benefits	Please refer to "Background, details and benefits of the transaction" given under item no. 3 of the explanatory statement forming part of the Notice above.
<b>3. Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</b>		





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<b>a.</b>	Details of the source of funds in connection with the proposed Transaction	Not applicable
<b>b.</b>	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - - nature of indebtedness; - cost of funds; and - tenure	Not applicable
<b>c.</b>	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"><li>• Tenure of the Loan: Fresh loan would be for a period of two years and the existing loan facility would be extended for a further period of two years.</li><li>• Repayment of Loan: Repayment of loan along with interest at the end of tenor of loan.</li><li>• The inter corporate loan would be unsecured.</li><li>• The interest rate on the inter corporate loan is determined based on the prevailing market interest rate and linked to SBI Marginal Cost Lending Rates plus a mark up to cover the credit risk.</li></ul>
<b>d.</b>	Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The funds would be utilized by PSL for repayment of Non-Convertible Bonds, working capital purposes and for general corporate purposes.
<b>e.</b>	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	Not applicable
<b>f.</b>	Any other information that may be relevant:	An investment by JSWSL in the form of infusion of equity / preference shares / warrants would be made in accordance





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		<p>with applicable law i.e. on the back of an independent valuation report.</p> <p>In case of loan, it would be repaid after two years from the date of disbursement with interest rate determined based on the prevailing market interest rates and linked to SBI Marginal Cost Lending Rates plus a mark upto cover the credit risk. The transaction is said to meet arm's length requirements since interest rate is based on market driven borrowing rates.</p> <p>The price for purchase of steel products is determined based on JSWSL's price list finalized from time to time considering the market conditions, global steel prices and the prevalent prices offered by third parties.</p> <p>Reimbursement of expenses at actual.</p>
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Taking into the consideration the proposed transaction, the indicative limits proposed to be approved for FY 2023-24 to 2024-25 will be as follows [**Table B**]

Nature of Transactions	Amount of transactions in a financial year (in Rs. Crores)	Total amounts of transactions for which approval is sought (Rs in Crores)	Period of the transactions and information on contractual arrangement
Investment / Loan (Fresh infusion)	3,300	The value of transaction is expected to Rs. 400 crores till July 2023 and Rs. 2,900 crores from August 2023 to March 2025	Post approval of shareholders, the Company will enter into contractual arrangement with JSWSL.
Purchase of steel products	700	The value of transactions is expected to Rs. 233 crores till July 2023 and Rs. 1,167 crores from	





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		August 2023 till March 2025	
Renewal of Loan	200	The value of transactions is expected to be Rs. Nil till July 2023 and Rs. 200 crores from August 2023 till March 2025	
Expenditure on Investment / loan	400	The value of transactions is expected to be Rs. 10 crores till July 2023 and Rs. 790 crores from August 2023 till March 2025	
Others (include sale/purchase of allied products, availing and rendering services in the nature of business auxiliary services, leasing of property, allocation of common expenses)	25	The value of transactions is expected to be Rs. 8 crores till July 2023 and Rs. 42 crores from August 2023 till March 2025	
	4,625	5,750	

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise in the resolution set out at Item No. 3 of the Notice.

Yours Directors recommend the Resolution as at Item No. 3 for your approval.

**ITEM NO. 4: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) BETWEEN BHUSHAN POWER & STEEL LIMITED, WHOLLY SUBSIDIARY OF THE COMPANY AND JSW COATED STEEL PRODUCTS LIMITED, WHOLLY OWNED SUBSIDIRY OF JSW STEEL LIMITED**

JSW Steel Coated Products Limited ("**JSW Coated**"), a wholly owned subsidiary of JSW Steel Limited (JSWSL), is the largest manufacturer and exporter of coated and colour coated steel products in India. JSW Coated has state-of-art manufacturing facilities in Vasind, Tarapur, Kalmeshwar and Khopoli in the State of Maharashtra, Bawal in the State of Haryana and Rajpura in the State of Punjab.





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JSW Coated along with Asian Colour Coated Ispat Limited, Vardhman Industries Limited and JSW Vallab Tinplate Private Limited has a Galvanised Iron (**GI**) Galvalume (**GL**) capacity of 3.84 MTPA and colour coating capacity of 1.86 MTPA and tinplate capacity of 0.50 MTPA.

JSW Coated procures its Hot Rolled Coils (**HRC**) and Cold Rolled Full Hard (**CRFH**) requirements from JSWSL plants of Dolvi and Vijayanagar and Jharsuguda Plant of BPSL, a subsidiary of the Company, based on mix of customer required mill specification and freight optimisation.

Accordingly, JSW Coated has approached BPSL to supply the required HRC/CRFH requirements. The proposed arrangement has the following advantages:

- Supply from BPSL to JSW Coated Steel Kalmeshwar, JSW Coated yard at Dhar and Bawal would have the freight advantage as compared to supply from Dolvi.
- The requisite quantity of CRFH coils is available in surplus at BPSL and accordingly it ensures seamless supply to JSW Coated at its Bawal unit.
- BPSL has been selling HRC products in the domestic market. With the commissioning of GI/GL and PPGI/PPGL lines at Vasind and Tarapur, the capacity of JSW Coated has increased. In this arrangement, JSW Coated would process HR products to value added products like GI/GL and PPGI/GL which not only enables the JSWSL group to widen the basket of value-added products compared to the sale of direct sale of HRC products by BPSL in the open market but also helps achieve optimum utilization of plant capacities.

BPSL has state-of-art steel production facilities in Odisha catering to both domestic and international market. BPSL operates with an existing capacity of 3.50 MTPA. BPSL has expanded its capacity from 2.75 MTPA to 3.50 MTPA in Phase-1 and is further expanding its capacity from 3.50 MTPA to 4.50 MTPA in Phase-II. The Phase-II expansion is expected to be completed by March 2024.

The proposed RPTs are for (a) the purchase of HRC/CRFH coils by JSW Coated from BPSL for a value of Rs.3,473 crores; and (b) for the sale of store spares / zinc dross / and other products by JSW Coated to BPSL for a value of Rs.110 crores. The RPTs are valued at a total of Rs.3,583 crores. BPSL purchases spares, consumables, zinc and other products from the open market. Since these materials are also procured by JSW Coated for their use, JSW Coated may sale such materials to BPSL as per urgent requirement, un-availability of materials in open market (as it can take around 5-7 months in procuring it from market) and surplus material available at JSW Coated.





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The estimated value of the RPTs is Rs.3,583 crores for each for FY 2023-24 and FY 2024-25 aggregating to Rs.7,166 crores for FY 2023-24 and FY 2024-25 which exceeds the threshold of Rs.1,000 crores for FY 2023-24 resulting in such transactions being termed as material RPTs under SEBI Listing Regulations and PSL's policy on material RPTs. Accordingly, prior approval of the shareholders of PSL is required to enter into such RPTs.

Details of the proposed RPT between JSW Coated and BPSL including information pursuant to SEBI circular no. SEBI/HO/CFD/CMDI/CIR/P/2021/662 dated 22 November 2021, are set out below

Sr. No	Description	Details
<b>1. Details of Summary of information provided to the Audit Committee</b>		
<b>a.</b>	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	JSW Coated Steel Products Limited (JSW Coated) JSW Coated is a wholly owned subsidiary of JSWSL. BPSL is wholly owned subsidiary of PSL. JSWSL holds 83.28% in PSL.
<b>b.</b>	Category of the related party transactions	The transaction is by a wholly owned subsidiary of the Company, JSW Coated with a subsidiary of the Company, BPSL.
<b>c.</b>	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the Directors/KMPs of JSW Coated are Directors or KMPs of the BPSL.
<b>d.</b>	Nature of primary transaction	The purchase of HRC/CRFH coils by JSW Coated from BPSL and other transactions as detailed in Table C below.
<b>e.</b>	Proposed transactions by JSW Coated with BPSL	The proposed RPTs are for: (a) the purchase of HRC/ CRHF coils by JSW Coated from BPSL for a value of Rs. 3,473 Crores; and (b) for the sale of store spares/ zinc dross/ and other products by JSW Coated to BPSL for a value of Rs. 110 Crores. The estimated value of the RPT's is Rs.3,583 crores for each for FY 2023-24 and FY 2024-25 aggregating to Rs.7,166 crores for FY 2023-24 and FY 2024-25
<b>f.</b>	Nature, material terms, monetary value and	Provided in Table C below





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	particulars of contracts or arrangement	
<b>g.</b>	Value of the proposed transactions for which approval is sought from the shareholders	Rs.3,583 crores for each financial year i.e aggregating Rs.7,166 crores from FY 2023-24 and 2024-25
<b>h.</b>	Amount paid as advance if any	No advance has been paid.
<b>i.</b>	Transaction with the related party for the past three financial years	FY 2022-23 : Rs. 961 crores FY 2021-22 : Rs. 971 crores FY 2020-21 : Rs. Nil
<b>j.</b>	Percentage of JSW Coated's annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year represented by the value of the proposed RPT.	JSW Coated's consolidated turnover for FY 2022-23 : Rs.28,633 crores Proposed transaction value for FY 2023-24 : Rs.3,583 crores. Percentage : 12.51%
<b>k.</b>	Percentage of JSW Coated's annual standalone turnover considering FY 2022-23 as the immediately preceding financial year represented by the value of the proposed RPT.	JSW Coated's standalone turnover for FY 2022-23: Rs. 28,633 crores Proposed transaction value for FY 2023-24 : Rs. 3,583 crores Percentage : 12.51%
<b>l.</b>	Percentage of BPSL's annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year represented by the value of the proposed transaction.	BPSL's consolidated turnover for FY 2022-23: Rs.20,065 crores. Proposed Transaction value for FY 2022-23: Rs.3,583 crores Percentage : 17.86%
<b>m.</b>	Total revenue, assets and net worth of BPSL for FY 2022-23	Total Revenue : Rs.19,957 crores Total assets : Rs.23,842 crores Total Net Worth : Rs.12,136 crores
<b>2 Justification / economic benefits from the RPTs</b>		
<b>a.</b>	Justification as to why the RPT is in the interest of the listed Entity	Please refer to "Background, details and benefits of the transaction" given under item No. 4 of the explanatory statement forming part of the Notice.
<b>b.</b>	Economic benefits	Following are the economic benefits from these RPTs:





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		<ul style="list-style-type: none"> <li>Increased margin of JSW Coated due to reduction in freight cost.</li> <li>Seamless supply of CRFH coils to JSW Coated Bawal Plant.</li> <li>Higher capacity utilization at JSW Coated Vasind and Tarapur Plant.</li> <li>Enriched product mix in terms of supply of value added products by JSW Steel group.</li> </ul>
3. Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:		
<b>a.</b>	Details of the source of funds in connection with the proposed Transaction	Not applicable
<b>b.</b>	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - - nature of indebtedness; - cost of funds; and - tenure	Not applicable
<b>c.</b>	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
<b>d.</b>	Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
<b>e.</b>	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	Not applicable
<b>f.</b>	Any other information that may be relevant: Pricing	For purchase of HR & CR coils and steel products – The price per tonne of finished goods will be determined by BPSL basis





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methodology / Arm's length assessment	<p>the price offered to its unrelated customers. Therefore, the transaction will be concluded on an arm's length basis.</p> <p>For sale of other miscellaneous products, pricing formula has been mutually decided between BPSL and JSW Coated considering prevailing market price, hence the transaction will be concluded on an arm's length basis.</p>
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Taking into the consideration the proposed transaction, the indicative limits proposed to be approved for FY 2023-24 to 2024-25 will be as follows: [**Table C**]

Nature of the transactions	Amount of transactions in a financial year (in Rs Crores)	Total amounts of transactions for which approval is sought (in Rs Crores)	Period of the transactions and information on contractual arrangement
Purchase of hot rolled coils, cold rolled full hard coils and other steel products	3,473	The value of transactions is expected to be Rs. 1,158 crores till July 2023 and Rs. 5,788 crores from August 2023 till March 2025	Post approval of shareholders, JSW Coated will enter into contractual arrangements with BPSL upto March 2025
Sale of stores, spares and other products	110	The value of transactions is expected to be Rs. 37 crores till July 2023 and Rs. 183 crores from August 2023 till March 2025.	
	3,583	7,166	

The members may note that in terms of the provisions of the SEBI Listing Regulations, the related Parties defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under item No. 4.

Except as mentioned above, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at item No. 4 of the Notice.





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Website: <https://www.jsw.in/groups/piombino-steel-limited>

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Your Directors recommend the resolution as at item No. 4 for your approval.

**By Order of the Board  
For Piombino Steel Limited**

**Place:** Jharsuguda

**Date:** May 10, 2023



**Alok Kumar Mishra**

Company Secretary & Compliance Officer

Membership No.: A-15967



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## ANNEXURE TO NOTICE:

### **DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING**

(Pursuant to Clause 1.2.5 of the Secretarial Standard-2)

Name of the Director	Mr. Manoj Kumar Mohta
Date of Birth	26.01.1971
Date of first Appointment on the Board	01.12.2021
Qualification	Commerce Graduate and Fellow member of Institute of Chartered Accountants of India.
Experience/ Expertise in specific functional areas/Brief resume of the Director	Mr. Manoj Kumar Mohta worked in premier corporate-houses in India for over 27 years and has gained very rich professional experience in the fields of Corporate Finance, Treasury, Taxation, Corporate Strategy, M&A, Procurement, Secretarial, Legal, and other allied functions. Presently associated with JSW Group since November 2004.
Terms & conditions of appointment / re-appointment	Tenure as a Director is subject to retirement of Directors by rotation in terms of Section 152 of the Companies Act, 2013.
Details of remuneration sought to be paid and remuneration last drawn.	NIL
Remuneration proposed	NIL
Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	Not inter-se related to any other Director, or Key Managerial Personnel. The Company does not have a Manager.
Number of meetings of the Board of Directors attended during the F.Y. 2022-23.	3 out of 4
Other Directorships held as on 31.03.2023	JSW Holdings Ltd. Rohne Coal Company Pvt. Ltd.





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	Vasind Farm & Dairy Products Pvt. Ltd. JTPM Atsali Ltd. JSW Multiventures Pvt Ltd JSW Sports Pvt Ltd Gopal Traders Pvt Ltd Vividh Finvest Pvt Ltd Sahyog Holdings Pvt Ltd Echelon Properties Pvt Ltd JSW GMR Cricket Pvt Ltd Sapphire Airlines Pvt Ltd JSW Bengal Steel Limited JSW Green Mobility Private Limited
Chairman/Membership of Committees in other Indian Public Limited Companies as on 31.03.2023* (C = Chairman; M = Member)	Stakeholder Relationship Committee Member – JSW Holdings Limited
Shareholding in the Company.	NIL

\*only two Committees namely, Audit Committee, Stakeholders Relationship Committee have been considered.





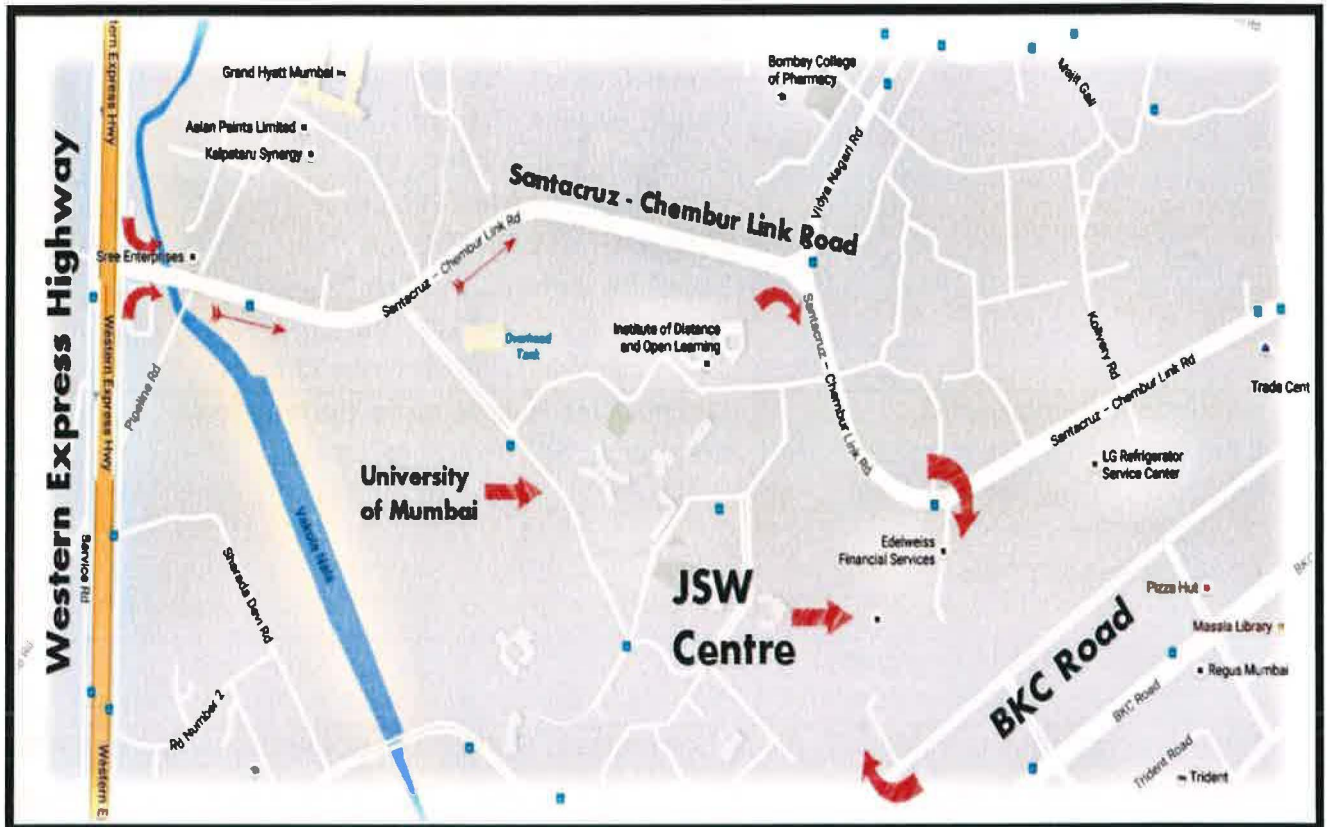
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## Route Map to JSW Centre





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## **DIRECTORS' REPORT**

The Members,  
**PIOMBINO STEEL LIMITED,**

Your Directors take pleasure in presenting the **FIFTH ANNUAL REPORT** of your Company, together with the Audited Financial Statements for the year ended March 31, 2023.

### **1. FINANCIAL SUMMARY:**

Particulars	(Amount in Crores)	
	FY 2022-23	FY 2021-22
i. Revenue from operations	45.46	560.36
ii. Other income	537.94	507.00
<b>iii. Total Income (i+ii)</b>	<b>583.40</b>	<b>1,067.36</b>
<b>iv. Expenses:</b>		
Purchase of Stock-in-trade	49.89	559.55
Finance Cost	311.98	434.98
Change in Inventory of Stock-in trade	(4.18)	-
Other expenses	1.02	1.97
<b>Total Expenses</b>	<b>358.71</b>	<b>996.50</b>
<b>v. Profit/ (Loss) before Tax (iii-iv)</b>	<b>224.69</b>	<b>70.86</b>
<b>vi. Tax expenses</b>		
Current tax	56.69	26.39
Deferred tax	(0.04)	(40.90)
<b>Profit/ (Loss) for the year (v-vi)</b>	<b>168.04</b>	<b>85.38</b>

### **2. FINANCIAL HIGHLIGHTS AND OPERATIONAL PERFORMANCE:**

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, res, minerals and mineral substance, alloys and metal scraps of all kinds. The Company earned revenue of Rs.45.46 crores from trading of coal and Rs. 537.94 crores from interest for the financial year under review. The Company has reported net profit for the F.Y. 2022-23 of Rs.168.04 crores after providing for tax expense as compared to Rs. 85.38 crores in FY 2021-22.

### **3. CHANGE IN THE NATURE OF BUSINESS:**

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

### **4. CHANGE OF THE REGISTERED OFFICE**

During the year under review, the Registered Office of the Company has been changed from JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 to 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098 w.e.f July 15, 2022.

### **5. DIVIDEND:**

To maintain the liquidity of funds for meeting the future financial requirements of the Company, the Board of Directors has decided not to declare any dividend for the financial year 2022-23.

### **6. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (j) OF THE COMPANIES ACT, 2013:**

Your directors do not propose to carry any amount to any reserves during the period under review.





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## **7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

## **8. DEPOSITS:**

Your Company has not accepted or renewed any deposits within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014 and the rules made thereunder.

## **9. SHARE CAPITAL:**

The Authorised Share Capital of the Company is Rs.17000,00,00,000/- (Rupees Seventeen Thousand Crores Only) divided into 1200,00,00,000 (One Thousand Two Hundred Crores only) Equity Shares of Rs.10/- each (Rupees Ten only) and 500,00,00,000 (Five Hundred Crores only) Preference Shares of Rs.10/- (Rupees Ten only) each. The Paid-Up Share Capital of the Company is Rs. 6100,00,00,000/- (Rupees Sixty-One Hundred Crore only) divided into 610,00,00,000 (Six Hundred Ten Crore) Equity Shares of Rs. 10/- each.

### **Issue of Equity Shares:**

During the year under review, the Company has not issued equity shares.

### **Warrants:**

The Company had issued 350,00,00,000 warrants having face value of Rs. 10/- at an issue price of Rs. 0.02/- each to JSW Steel Limited and JSW Shipping & Logistics Pvt Limited on 24<sup>th</sup> March, 2021.

### **Subsidiary of JSW Steel Limited:**

Pursuant to the conversion of OFCDs, JSW Steel Limited holds 83.28% equity and JSLPL holds 16.72% equity in the Company. Subsequent to the aforesaid conversion, the Company has now a Subsidiary of JSW Steel Limited.

#### **a) Issue of Equity Shares with Differential Rights**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

#### **b) Issue of Sweat Equity Shares**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

#### **c) Issue of Employee Stock Options**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

## **10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**





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## **1. BOARD OF DIRECTORS:**

### **a) COMPOSITION & CONSTITUTION OF BOARD OF DIRECTORS:**

The Board of your Company currently comprises of five Directors, namely Mr. Anil Kumar Singh (DIN: 02059903), Mr. Divyakumar Vimalkumar Bhair (DIN: 08568679), Mr. Manoj Kumar Mohta (DIN: 02339000), Mr. Anunay Kumar (DIN: 01647407), Independent Director and Dr. Rakhi Jain (DIN: 07138042), Independent Director.

According to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Manoj Kumar Mohta (DIN: 02339000) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for reappointment. The necessary resolution proposing the appointment of aforesaid Director has been incorporated in the Notice of the ensuing Annual General Meeting for your approval.

### **b) BOARD MEETING & ATTENDANCE:**

During the period under review, meeting of the Board of Directors was held 4 times on 24.05.2022, 15.07.2022, 14.10.2022 and 13.01.2023. The detail of the participation of Directors thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1..	Mr. Anil Kumar Singh	04	04
2.	Mr. Manoj Kumar Mohta	04	03
3.	Mr. Divyakumar Vimalkumar Bhair	04	04
4.	Mr. Anunay Kumar	04	04
5.	Dr. Rakhi Jain	04	04

The intervening gap between the Board meetings was within the period prescribed under the Companies Act, 2013.

### **c) DECLARATION BY THE INDEPENDENT DIRECTORS**

The Board comprised of Mr. Anunay Kumar and Dr. Rakhi Jain as Independent Directors. The Company has received the necessary declaration from each of the Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act. The Independent Directors had 01 (One) Meeting during the period under review.

### **d) CHANGES IN KEY MANAGERIAL PERSONNEL**

During the period under review, there is no change in Key Managerial Personnel (KMP) of the Company.

## **11. COMPOSITION OF VARIOUS BOARD COMMITTEES**

### **i. Audit Committee**

Audit Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Divyakumar Vimalkumar Bhair and Dr. Rakhi Jain as members of Audit Committee. The Board has approved the charter for the functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Audit Committee was held 05 times on 24.05.2022, 15.07.2022, 14.10.2022, 13.01.2023 and 30.03.2023. The detail of the participation of members thereat is enumerated as below:





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Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anunay Kumar	05	05
2.	Mr. Divyakumar Vimalkumar Bhair	05	05
3.	Dr. Rakhi Jain	05	05

## ii. Nomination and Remuneration Committee

Nomination and Remuneration Committee comprises of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, meeting of the Nomination & Remuneration Committee was held 02 times on 24.05.2022 and 15.07.2022. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anunay Kumar	02	02
2.	Mr. Anil Kumar Singh	02	02
3.	Dr. Rakhi Jain	02	02

## iii. Corporate Social Responsibility Committee

Corporate Social Responsibility Committee comprises of Dr. Rakhi Jain as Chairperson, Mr. Anil Kumar Singh and Mr. Anunay Kumar as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the CSR Committee of Board of Directors was held 01 times on 24.05.2022. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Dr. Rakhi Jain	01	01
2.	Mr. Anil Kumar Singh	01	01
3.	Mr. Anunay Kumar	01	01

## iv. Finance Committee

The Finance Committee of the Board of Directors comprises of Mr. Anil Kumar Singh as Chairman, Mr. Manoj Kumar Mohta and Mr. Divyakumar Vimalkumar Bhair as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Finance Committee of Board of Directors was held 01 times on 31.05.2022. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anil Kumar Singh	01	01
2.	Mr. Manoj Kumar Mohta	01	01





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3.	Mr. Divyakumar Vimalkumar Bhair	01	01
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## v. Risk Management Committee

Risk Management Committee of Board of Directors was constituted on May 24, 2022 and presently comprises of Mr. Anunay Kumar as Chairman, Mr. Anil Kumar Singh and Dr. Rakhi Jain as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Risk Management Committee of Board of Directors was held 02 times on 12.01.2023 and 21.03.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Mr. Anunay Kumar	02	02
2.	Mr. Anil Kumar Singh	02	02
3.	Dr. Rakhi Jain	02	02

## vi. Stakeholders Relationship Committee

Stakeholders Relationship Committee of Board of Directors was constituted on May 24, 2022 and presently comprises of Dr. Rakhi Jain as Chairperson, Mr. Anunay Kumar and Mr. Anil Kumar Singh as members of the Committee. The Board has approved the charter for the functioning of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the period under review, the meeting of the Stakeholders Relationship Committee of Board of Directors was held 01 time on 12.01.2023. The detail of the participation of members thereat is enumerated as below:

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting Attended
1.	Dr. Rakhi Jain	01	01
2.	Mr. Anunay Kumar	01	01
3.	Mr. Anil Kumar Singh	01	01

## 12. HOLDING & SUBSIDIARY COMPANY:

JSW Steel Limited holds 83.28% equity and JSW Shipping & Logistics Private Limited holds 16.72% equity in the Company. The Company is now a Subsidiary of JSW Steel Limited.

Bhushan Power & Steel Limited is wholly owned subsidiary of your Company w.e.f. March 26, 2021.

During the period under review, West Waves Maritime & Allied Services Private Limited has been amalgamated with your Company w.e.f. May 07, 2022.

Presently, the Company neither has any Joint Venture nor Associate company.

## 13. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company had filed an application with Regional Director, Western Region, Mumbai for approval of Amalgamation Scheme of West Waves Maritime & Allied Services Private Limited with the Company. Regional Director, Western Region, Mumbai vide its order dated May 06, 2022 has approved the Amalgamation Scheme of the Company and accordingly West Waves Maritime &





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Allied Services Private Limited has been merged with the Company w.e.f. May 07, 2022 and accordingly ceased to be wholly owned subsidiary.

No other companies have become or ceased to be subsidiaries, joint ventures or associate companies.

## **14. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:**

The members may refer to the financial statements forming part of the Annual Report as required under the provisions of Section 129(3) of the Companies Act, 2013 for financial position of all Subsidiaries.

A statement containing salient features of the financial statements of the Subsidiary Company in Form AOC-1 is given in '**Annexure-A**' to this Report.

## **15. INTERNAL CONTROL SYSTEM & INTERNAL FINANCIAL CONTROLS:**

### **a) Overview**

The Company has a robust system of internal control, commensurate with the size and nature of its business and complexity of its operations.

### **b) Internal Control:**

The Company has a proper and adequate system of Internal Control.

### **c) Internal Audit:**

The Company has a strong and independent internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Internal Audit team consists of professionally qualified accountants and engineers at the group level. The Internal Auditors reports directly to the Chairman of the Audit Committee.

### **d) Audit Plan and Execution**

At start of the year, the Internal Audit Department prepares an Annual Audit Plan after considering Business and Process Risks. The frequency of the audit is decided by risk ratings of areas/functions. The audit plan is carried out by the Internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend.

### **e) Internal Financial Controls**

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls.

The Company has already developed and implemented a framework for ensuring internal controls over financial reporting. During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

## **16. AUDITORS AND AUDITORS' REPORT:**

### **A. STATUTORY AUDITORS:**

M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No. 109574W) has been appointed as the Statutory Auditors of the Company in the 01<sup>st</sup> Annual General Meeting for a period of 5 years until the conclusion of 6<sup>th</sup> Annual General Meeting to be held in the calendar year 2024.





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## **Comment on Auditors' Report:**

The report of the Auditors along with notes to Schedules forms part of this Annual Report. The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Auditors' Report for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

No fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

## **B. SECRETARIAL AUDITORS:**

In terms of Section 204 of the Act, Board of Directors of the Company in their Meeting held on December 01, 2021 had appointed M/s. Sunil Agarwal & Co., Practicing Company Secretaries, as secretarial auditor to conduct a secretarial audit of the Company for the financial year 2022-23.

The Secretarial Audit report for financial year 2022-23 is annexed to this report in form MR-3 (**Annexure – B1**). The Secretarial Audit report for financial year 2022-23 of Bhushan Power & Steel Limited, wholly owned Subsidiary of the Company is also annexed to this report in Form MR-3 (**Annexure – B2**)

The Board, at its meeting held on May 10, 2023 has on the recommendation of the Audit Committee appointed M/s Sunil Agarwal & Co., Practicing Company Secretaries, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2023-24.

## **17. RELATED PARTY TRANSACTIONS:**

All related party transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms' length basis and are in accordance with provisions of Section 177, 188 of the Companies Act, 2013. The details of contracts or arrangement as prescribed in Form AOC-2 attached as **Annexure - C**.

Suitable disclosure on related party transactions, as required by the Accounting Standards has been made in the notes to the Financial Statements.

## **18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## **19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year under review, the Company had filed an application with Regional Director, Western Region, Mumbai for approval of Amalgamation Scheme of West Waves Maritime & Allied Services Private Limited with the Company. Regional Director, Western Region, Mumbai vide its order dated May 6, 2022 has approved the Amalgamation Scheme of the Company and accordingly West Waves Maritime & Allied Services Private Limited has been merged with the Company w.e.f. May 7, 2022.

No other orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

## **20. PARTICULARS OF EMPLOYEES:**





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The Disclosures pertaining to particulars of employees as required in terms of the Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company and hence, the disclosure on particulars of employees in terms of the aforesaid Section and Rules is not attached to the Directors' Report.

## **21. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Being part of JSW group, your Company follows an Anti-Sexual Harassment JSW Group Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up at group level to redress complaints received regarding sexual harassment. No complaints pertaining to sexual harassment were received during the FY 2022-23.

## **22. WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The Company has in place a mechanism in the form of the Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any.

## **23. RISK MANAGEMENT:**

The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the management.

## **24. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Corporate Social Responsibility Policy is available on the website of the Company. Annual report on Corporate Social responsibility is enclosed as **Annexure – D**.

## **25. SECRETARIAL STANDARDS**

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been complied with by the Company during the financial year under review.

## **26. BOARD EVALUATION**

The Board carried out an annual evaluation of its own performance, the performance of the Independent Directors individually as well as an evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

## **27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is not engaged in any manufacturing activity, particulars under section 134(3)(m) of the Companies Act, 2013, regarding the conservation of energy, technology absorption are not applicable.

There were no foreign exchange earnings / outgo during the year under review.

## **28. COPY OF ANNUAL RETURN**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule



A handwritten signature in blue ink, located to the right of the circular stamp.



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11 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and are accessible at the web-link: <https://www.jsw.in/groups/piombino-steel-limited>.

## **29. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) such accounting policies have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis; and
- e) proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## **APPRECIATION:**

Your Directors would like to express their appreciation for co-operation and assistance received from Government authorities, financial institutions, banks, vendors, customers, shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**

  
**Anil Kumar Singh**  
Chairman  
DIN: 02059903

Place: **Jharsuguda**  
Date: **May 10, 2023**





# PIOMBINO STEEL LIMITED

Regd Office: 6<sup>th</sup> Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai 400 098

Ph. No: +91 22 6854 2400 CIN: U27320MH2018PLC374653

Website: <https://www.jsw.in/groups/piombino-steel-limited>

## ANNEXURE A

### FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

(in Lakhs)

Sl. No.	1 (One)
Name of the subsidiary	Bhushan Power & Steel Limited
The date since when subsidiary was acquired	26.03.2021
Financial Year ending on	31.03.2023
Reporting Currency	INR
Exchange Rate on the last day of the financial year	N.A
Share capital	10,000.00
Reserves & Surplus	12,03,642.00
Total Assets	23,84,193.00
Total Liabilities	23,84,193.00
Investments	Nil
Turnover	20,07,715.00
Profit/(Loss) before tax	16,030.00
Provision for tax	Nil
Profit/(Loss) after tax	16,030.00
Proposed Dividend	Nil
% of shareholding	100.00

\* The WWMASPL was acquired on 24 November 2021 and got amalgamated with Piombino Steel Limited on 1 December 2021 pursuant to order dated 6 May 2022 of Regional Directorate (WR) of Ministry of Corporate Affairs thereby approving the scheme of amalgamation.

### Notes:

1. No subsidiary has been liquidated or sold during the year.

For and on behalf of the  
Board of Directors of Piombino Steel Ltd.

Place: Jharsuguda  
Date: May 10, 2023



Anil Kumar Singh  
Chairman  
DIN: 02059903



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## ANNEXURE C

### FORM NO. AOC-2

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

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:-

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

(Nil)

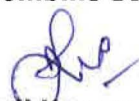
(All contracts or arrangements or transactions with related parties were at arm's length basis)

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:-

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
1.	JSW Steel Limited	Trading of Steel Products	Annual	Rs. 49.89 Crores	Approved by Audit Committee	Nil
2.	JSW Coated Steel Products Limited	Trading of Steel Products	Annual	Rs. 23.38 Crores	Approved by Audit Committee	Nil

Note: Refer the related party transactions under Ind AS at Note No 25 of the financial statements of 2022-23.

**For and on behalf of the  
Board of Directors of Piombino Steel Ltd.**

  
**Anil Kumar Singh**  
Chairman  
DIN: 02059903

Place: **Jharsuguda**  
Date: **May 10, 2023**





# PIOMBINO STEEL LIMITED

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## **Annexure D to Directors Report** **Annual Report on Corporate Social Responsibility Activities**

### 1. Brief outline on CSR Policy of the Company.

CSR policy, reflecting ethos of the Company, broad areas of CSR interest and overview of activities, proposes rural focus and woman empowerment.

Policy states the list of activities/projects undertaken/to be undertaken in future.

### 2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Mrs.) Rakhi Jain	Chairperson	01	01
2.	Mr. Anil Kumar Singh	Member	01	01
3.	Mr. Anunay Kumar	Member	01	01

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. [www.jsw.in/groups/piombino-steel-limited](http://www.jsw.in/groups/piombino-steel-limited).
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable **Not Applicable**
5. (a) Average net profit of the Company as per sub-section (5) of Section 135 . **22 Cr**
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 **44,00,000/-**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. **Nil**
- (d) Amount required to be set-off for the financial year, if any **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. **44,00,000/-**
6. (a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project): **44,00,000/-**
- (b) Amount spent in Administrative Overheads : **Nil**
- (c) Amount spent on Impact Assessment, if applicable. **Nil**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. **44,00,000/-**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of Section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.

*Rakhi Jain*



*[Signature]*



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<b>44,00,000/-</b>	<b>Nil</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
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(f) Excess amount for set-off, if any:

Sl. No	Particular	Amount (in Rs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	<b>44,00,000</b>
(ii)	Total amount spent for the Financial Year	<b>44,00,000</b>
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	<b>Nil</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	<b>Nil</b>
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	<b>Nil</b>

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

1	2	3	4	5	6	7	8
Sl No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs)	Amount spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer	
1.	FY-1	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NA</b>	<b>NIL</b>
2.	FY-2						
3.	FY-3			.			

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

<input type="checkbox"/>	<b>Yes</b>	<input type="checkbox"/>	<b>No</b>
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If yes, enter the number of Capital assets created / acquired :

*Rabhi Jain*



*[Signature]*



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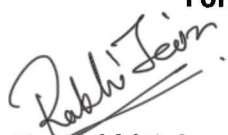
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	Name	Registered address

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

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

For and on behalf of the Board of Directors



**Dr. Rakhi Jain**  
(Chairperson CSR Committee)



**Anil Kumar Singh**  
(Director)





# **Shah Gupta & Co.**

## **Chartered Accountants**

### **INDEPENDENT AUDITORS' REPORT**

To the Members of Piombino Steel Limited

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the standalone financial statements of **Piombino Steel Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of profit and loss, (including the statement of other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

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

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

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 the Management and Board of directors for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also



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

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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statement 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss (including the statement of other comprehensive income), the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B.
  - g. The Company has not paid / not provided for managerial remuneration in the books of accounts. Accordingly, provisions of Section 197 of the Act is not applicable to the Company.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position in the standalone financial statements – Refer Note 29 of the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("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 to or on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation 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 and paid dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For SHAH GUPTA & CO.,

Chartered Accountants

Firm Registration No.: 109574W



Parth P Patel

Partner

M. No.172670

UDIN: 23172670BGXTNJ369

Place: Mumbai

Date: May 10, 2023

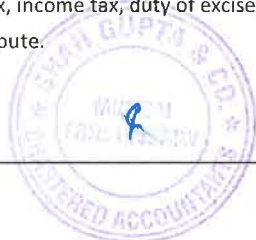




## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

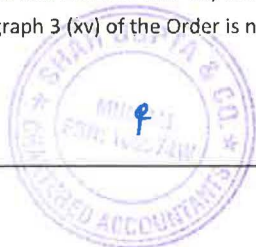
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Piombino Steel Limited of even date)

- (i) (a) (A) The Company does not have property, plant and equipment's and accordingly, reporting under paragraph 3 (i) (a) (A) of the Order is not applicable.  
(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under paragraph 3 (i) (a) (B) of the Order is not applicable.
- (b) The Company does not have property, plant and equipment's and accordingly, reporting under paragraph 3 (i) (b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property during the year. Accordingly, reporting under paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated during the year or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory by the Management, as compared to book records were not material and have been appropriately dealt with in the books of account. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.  
(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- (iii) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties during the year. Accordingly, reporting under paragraph 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of Section 185 and 186 of the Act are applicable to the Company. Accordingly, reporting under paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Section 73 to Section 76 of the Act and the Rules framed there under to the extent notified.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the products by the Company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a year of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.





- viii) According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the money raised by way of the term loans have been applied by the Company during the year for the purpose for which it was raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, the Company has not obtained any short-term loans during the year. Accordingly, reporting under paragraph 3 (ix) (d) is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3 (x) (b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under sub-clause (12) of Section 143 of the Act, in Form ADT-4, was not required to be filed. Accordingly, reporting under clause 3 (xi) (b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the year under audit have been considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under paragraph 3 (xv) of the Order is not applicable to the Company.





- (xvi) (a) The Company's financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets is more than 50 per cent of the gross income. Accordingly, the tests for determining 'Principal Business' mentioned in Reserve Bank of India, non-banking financial company (NBFC) regulations are met. As informed to us, the Company is in the process of obtaining experts advice for complying with the registration under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted non-banking financial / housing finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.
- (d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and three 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 any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 1B (ii) and Note 33 to the Standalone Financial Statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a year 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 year of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of Order is not applicable for the year.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W



**Parth P Patel**

Partner

M. No.172670

UDIN: 23172670BGXTNJ369

Place: Mumbai

Date: May 10, 2023





## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

### Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Piombino Steel Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone 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 system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system over financial reporting with reference to these standalone financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

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





**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements**

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

**Opinion**

In our opinion, 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 these standalone financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to these standalone 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.

For **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W

**Parth P Patel**

Partner

M. No.172670

UDIN: 23172670BGXTNJ369

Place: Mumbai

Date: May 10, 2023





**PIOMBINO STEEL LIMITED**  
Standalone Balance Sheet as at March 31, 2023  
CIN No. - U27320MH2018PLC374653

Particulars	Note No.	Rs. In crores	
		As at March 31, 2023	As at March 31, 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Investment in a subsidiary	2	8,550.00	8,550.00
(b) Financial assets			
(i) Other financial assets	3	-	0.27
(c) Deferred tax assets (net)	24	0.04	-
(d) Current tax assets (net)	4	23.84	26.83
<b>Total non-current assets</b>		<b>8,573.88</b>	<b>8,577.10</b>
<b>(2) Current assets</b>			
(a) Inventories	5	4.18	-
(b) Financial assets			
(i) Trade receivables	6	36.91	445.36
(ii) Cash and cash equivalents	7	0.03	4.23
(iii) Other financial assets	8	951.37	464.13
(c) Other current assets	9	24.93	15.02
<b>Total current assets</b>		<b>1,017.42</b>	<b>928.74</b>
<b>Total Assets</b>		<b>9,591.30</b>	<b>9,505.84</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	10	6,092.92	6,092.92
(b) Other equity	11	261.05	93.00
<b>Total Equity</b>		<b>6,353.96</b>	<b>6,185.92</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	112.27	2,525.22
(ii) Other financial liabilities	13	6.09	230.63
<b>Total non-current liabilities</b>		<b>118.36</b>	<b>2,755.85</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	2,481.36	-
(ii) Trade payables			
(a) Total outstanding due of micro and small enterprises	15	-	-
(b) Total outstanding due of creditors other than micro and small enterprises		45.10	447.17
(iii) Other financial liabilities	16	592.51	116.46
(b) Other current liabilities	17	-	0.44
<b>Total current liabilities</b>		<b>3,118.97</b>	<b>564.07</b>
<b>Total Liabilities</b>		<b>3,237.33</b>	<b>3,319.92</b>
<b>Total Equity and Liabilities</b>		<b>9,591.30</b>	<b>9,505.84</b>

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 23172670BGXTNJ7369  
Place: Mumbai  
Date: 10 May, 2023



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer



For and on behalf of the Board of Directors

*Divyakumar Bhair*  
Divyakumar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer



**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2023**  
**CIN No. - U27320MH2018PLC374653**

Particulars	Note No.	Rs. In crores	
		For the year ended March 31, 2023	For the year ended March 31, 2022
I. Revenue from operations	18	45.46	560.36
II. Other Income	19	537.94	507.00
III. Total Income (I+II)		<u>583.40</u>	<u>1,067.36</u>
IV. Expenses			
Purchase of stock-in-trade	20	49.89	559.55
Finance costs	21	311.98	434.98
Change In Inventory of Stock-in trade		(4.18)	-
Other expenses	22	1.02	1.97
Total expenses		<u>358.71</u>	<u>996.50</u>
V. Profit before tax (III-IV)		<u>224.69</u>	<u>70.86</u>
VI. Tax expense/(credit)	24		
Current tax		56.69	26.39
Deferred tax		(0.04)	(40.90)
		<u>56.65</u>	<u>(14.52)</u>
VII. Profit for the year (V-VI)		<u>168.04</u>	<u>85.38</u>
VIII. Other comprehensive income/ (loss)		-	-
IX. Total comprehensive income for the year (VII+VIII)		<u>168.04</u>	<u>85.38</u>
X. Earnings per equity share of Rs. 10 each			
Basic	23	0.28	0.21
Diluted		0.28	0.08

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 23172670BGXTN7369  
Place: Mumbai  
Date: 10 May, 2023



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

For and on behalf of the Board of Directors

*Divyakumar Bheir*  
Divyakumar Bheir  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer





**PIOMBINO STEEL LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2023**  
**CIN No. - U27320MH2018PLC374653**

Particulars	Rs. In crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	224.69	70.86
Adjustments for :		
Finance costs	311.98	434.98
Interest Income	(537.94)	(507.00)
Loss from operating activities	(1.27)	(1.16)
<b>Changes in working capital</b>		
Adjustments for:		
Decrease/(Increase) in trade receivables	408.12	(435.18)
(Decrease) in other assets	36.58	13.80
(Decrease)/Increase in trade payables and other liabilities	(402.52)	393.90
Cash generated/(used) in operations	40.91	(28.64)
Direct taxes paid	(53.70)	(1.25)
<b>Net cash used in operating activities (A)</b>	<b>(12.78)</b>	<b>(29.90)</b>
<b>B. Cash flow from investing activities</b>		
Investment in equity shares	-	(0.31)
<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>(0.31)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	56.27	56.00
Finance costs paid	-	(37.50)
Annual fees paid	(47.69)	(43.75)
<b>Net cash generated/(used in) financing activity (C)</b>	<b>8.58</b>	<b>(25.25)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(4.20)</b>	<b>(55.45)</b>
Cash and cash equivalents at the beginning of the year	4.23	59.66
Cash and cash equivalents received on acquisition (refer note 30)	-	0.03
<b>Cash and cash equivalents at the end of the year</b>	<b>0.03</b>	<b>4.23</b>

Note:

I. The statement of cash flows is prepared using the "Indirect method" set out in Ind AS 7 "Statement of Cash Flows".

II. Reconciliations part of cash flows

Particulars	Borrowings	Equity	Total
Balance as on March 31, 2022	2,525.22	6,092.92	8,618.14
Unamortised upfront fees	12.14	-	12.14
Loan from a related party	56.27	-	56.27
Balance as on March 31, 2023	2,593.63	6,092.92	8,686.55

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 231726708GXTN7369  
Place: Mumbai  
Date: 10 May, 2023



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

For and on behalf of the Board of Directors

*Divyakumar Bhalr*  
Divyakumar Bhalr  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer





**PIOMBINO STEEL LIMITED**  
**Standalone Statement of changes in equity for the year ended March 31, 2023**  
**CIN No. - U27320MH2018PLC374653**

**(a) Equity share capital**

Particulars	Rs. in crores
As at March 31, 2021	1,667.29
Shares issued during the year	2,797.55
Reclassification of equity component within equity	1,628.08
As at March 31, 2022	6,092.92
Shares issued during the year	-
Reclassification of equity component within equity	-
As at March 31, 2023	6,092.92

**(b) Other equity**

Nature	Equity component of financial instruments	Reserves & Surplus			Money received against share warrants	Total
		Retained earnings	Debt redemption Reserve	Capital Reserve on account of business combination		
Opening balance as at April 1, 2021	1,322.91	(6.84)	-	-	-	1,316.07
Profit for the year	-	85.38	-	-	-	85.38
Arising on account for business combination (refer note 30)	-	-	-	0.47	-	0.47
Reversal of deferred tax liability on conversion of OFCDs	305.17	-	-	-	-	305.17
Reclassification of equity component within equity	(1,628.08)	-	-	-	14.00	(1,614.08)
Closing balance as at March 31, 2022	-	78.54	-	0.47	14.00	93.01
Profit for the period	-	168.04	-	-	-	168.04
Transfer to debt redemption reserve	-	(246.58)	246.58	-	-	-
Closing balance as at March 31, 2023	-	-	246.58	0.47	14.00	261.05

See accompanying notes to the standalone financial statements

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 231726708GXTNU7369  
Place: Mumbai  
Date: 10 May, 2023



For and on behalf of the Board of Directors

*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

*Divyashankar Bhair*  
Divyashankar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903

*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer





## General Information

Piombino Steel Limited ("the Company") is incorporated in India on September 21, 2018 under the Companies Act, 2013 with its registered office located at 6th Floor, Grande Palladium, 175, CST Road, Kolivery Village, MMRDA Area, Kalina, Santacruz East, Mumbai 400098.

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substance, alloys and metal scrap of all kinds.

**1A. Recent accounting pronouncements:** Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

(a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

(b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

(c) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

## 1B. Significant accounting policies

### I. Statement of compliance:

The Standalone Financial Statements of the Company which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India.

The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on May 10, 2023.





**II. Basis of preparation and presentation:**

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period as explained in the accounting policies below. which are consistently followed except where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended", as applicable to the Standalone Financial Statements have been followed.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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.

The Standalone Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 except when otherwise stated.

**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.





The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

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

Further, the directors of the Company have given consideration to the liquidity of the Company having regard to its current liabilities exceeding current assets by Rs. 2,101.55 Crores as at March 31, 2023 mainly on account of redemption of non-convertible debentures alongwith the premium accrued thereon. The Company plans to meet the said deficit for the forthcoming year by receiving the financing from the Parent Company. Having regard to the above, the financial statements have been prepared on a going concern basis.

### **III. Revenue recognition**

#### **Sale of Goods**

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.

#### **Interest income**

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

### **IV. Borrowing costs**

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

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

### **V. 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.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone 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 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 year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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 recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**VI. 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 labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.





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.

## **VII. Provisions**

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

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

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.

## **VIII. Investment in subsidiary:**

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

## **IX. 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 Standalone Statement of Profit and Loss.

### **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

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

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

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

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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised 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 and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is 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) 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 and loss and is included in the 'Other income' line item.

### 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

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

#### Financial liabilities at FVTPL:

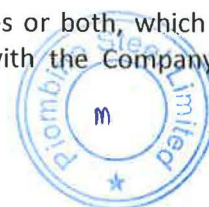
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

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.

**d) Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**X. Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

**XI. Cash and cash equivalents:**

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

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

**XII. Earnings per share:**

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





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

**XIII. Business Combination**

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

**1C. Key sources of estimation uncertainty and critical accounting judgements:**

In the course of applying the policies outlined in all notes under section 1 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.

**Key sources of estimation uncertainty:**

Impairment of investments in subsidiary

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

Taxes

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





## 2. Investment in Subsidiaries

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Unquoted</b>				
<b>Investment at cost</b>				
(a) Investment in equity instruments				
<b>Subsidiary</b>				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	100,000,000	100.00	100,000,000	100.00
(b) Investment in compulsory convertible debentures (CCDs)				
<b>Subsidiary</b>				
Bhushan Power & Steel Limited (Face value of Rs. 10 each)	8,450,000,000	8,450.00	8,450,000,000	8,450.00
<b>Total Investment</b>	<b>8,550,000,000</b>	<b>8,550.00</b>	<b>8,550,000,000</b>	<b>8,550.00</b>
Less: Aggregate amount of provision for impairment in value of investments		-		-
<b>Total</b>		<b>8,550.00</b>		<b>8,550.00</b>
<b>Aggregate carrying value</b>		<b>8,550.00</b>		<b>8,550.00</b>

### Notes

- a) The CCDs shall have a term of 5 (five) years commencing from the date on which the CCDs are issued and allotted i.e. March 25, 2021. The CCDs holders are entitled to receive a coupon on an annual basis at the rate of 6% per annum from the date of issue and allotment of CCDs. The CCDs coupon shall be payable on end of quarter from commencement of each subsequent quarter in which the interest became due. Each CCD is convertible at any time during the CCD term into one equity shares of face value of Rs. 10. The holder of CCDs subject to their discretion shall have the right to direct the company to convert any or all the CCDs at any time during the CCD term.
- b) The Company's investments in CCD's of Bhushan Power & Steel Limited amounting to Rs.8,450 crores were classified as fair value through profit and loss in the earlier years. In terms of para 2.1(a) of Ind AS 109, investment as 'interest in subsidiaries' are scoped out from measurement principles of Ind AS 109. Accordingly, this investment basis Ind AS 109 and the terms should be treated as part of 'interests in subsidiaries' and carried at cost less impairment other than Ind AS 109. During the year, based on technical note from expert obtained by the Company, it has reclassified the said investments from Investment in Subsidiary at FVTPL to Investment in Subsidiary at Cost.

## 3. Other non-current financial assets

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Security deposit	-	0.27
	-	0.27

## 4. Current tax assets (Net)

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Tax Deducted at Source (net of provision for tax amounting to Rs. 23.49 crores, [31 March 2022- Rs. 26.39 crores])	23.84	26.83
	<b>23.84</b>	<b>26.83</b>

## 5. Inventories

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Stock-in-trade*	4.18	-
	<b>4.18</b>	<b>-</b>

\* Pertains to stock-in-transit of Rs 4.18 crores (31 March 2022 : NIL)

## 6. Trade receivables

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Trade Receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	36.91	445.36
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	<b>36.91</b>	<b>445.36</b>

Particulars	Outstanding for following periods from due date of payment as at March 31 2023					
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	36.91	-	-	-	-	36.91
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-





**PIOMBINO STEEL LIMITED**

Notes forming part of the standalone financial statements

Particulars	Outstanding for following periods from due date of payment as at 31 March 2022					
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	-	445.36	-	-	-	445.36
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

The credit period on sales of goods ranges from 7 to 90 days with or without security. Trade receivables does not include any receivables from directors and officers of the Company. Details of trade receivables from related parties has been described in note 25.

**7. Cash and cash equivalents**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Balances with bank		
in current accounts	0.03	4.23
	<b>0.03</b>	<b>4.23</b>

**8. Other current financial assets (unsecured)**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Interest receivable on CCDs	951.09	463.87
Other financial assets	0.01	0.26
Security deposit	0.27	-
Less: Allowance for doubtful receivables	-	-
	<b>951.37</b>	<b>464.13</b>

**9. Other current assets**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Balance with government authorities	24.93	15.00
Others	-	0.02
Less: Allowance for doubtful receivables	-	-
	<b>24.93</b>	<b>15.02</b>

**10. Equity share capital**

Particulars	Rs. in crores			
	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised:				
Equity shares of Rs. 10 each	12,000,000,000	12,000.00	12,000,000,000	12,000.00
(b) Issued and subscribed				
Outstanding at the beginning of the year, fully paid up	2,000,000,000	1,667.29	2,000,000,000	1,667.29
Add: Shares issued pursuant to conversion of optionally fully convertible debentures (OFCDs)	4,100,000,000	2,797.55	4,100,000,000	2,797.55
Add: Reclassification of equity component within equity	-	1,628.08	-	1,628.08
Outstanding at the end of the year, fully paid up	<b>6,100,000,000</b>	<b>6,092.92</b>	<b>6,100,000,000</b>	<b>6,092.92</b>

**(c) Rights, preferences and restrictions attached to equity shares**

The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

**(d) Details of shareholders holding more than 5% shares in the Company are set out below:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Shares	No. of Shares	% of Shares
JSW Steel Limited (JSW Steel) (including nominees)	5,080,000,000	83.28%	5,080,000,000	83.28%
JSW Shipping & Logistics Private Limited	1,020,000,000	16.72%	1,020,000,000	16.72%

**(e) Change in Promoter's shareholding as on March 31, 2023:**

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Steel Limited, the Holding Company	5,080,000,000	83.28%	5,080,000,000	83.28%	0.00%
JSW Shipping & Logistics Private Limited	1,020,000,000	16.72%	1,020,000,000	16.72%	0.00%





**PIOMBINO STEEL LIMITED**
**Notes forming part of the standalone financial statements**
**11. Other equity**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Surplus/ (deficit) in retained earnings	-	78.54
Capital reserve	0.47	0.47
Money received against share warrants	14.00	14.00
Debenture redemption reserve	246.58	-
	<b>261.05</b>	<b>93.00</b>

**(a) Retained earnings**

Retained earnings are the profits/(losses) that the Company has earned till date. It is a free reserve available to the Company.

**(b) Capital reserve**

Reserve is created primarily on merger (refer note 30) as per statutory requirement. This reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

**(c) Money received against share warrants**

The Company has issued 3,500,000,000 share warrants each to JSW Steel and JSW Shipping respectively with a subscription price of Rs. 0.02 per warrant. The exercise period is five years from the days of issue of the warrants and the warrant holders at their discretion shall be entitled to purchase one equity share of the face value of Rs. 10 each at an exercise price of Rs 10.

**(d) Debenture redemption reserve**

The Indian Companies Act requires Companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. Companies are required to maintain 10% as a reserve of outstanding redeemable debentures. Debenture redemption has been created to the extent of available reserve in the Company.

**12. Borrowings**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
<b>Non-current borrowings (Unsecured)</b>		
<b>(i) Debentures</b>		
Borrowings through Non convertible bonds (NCBs)	2,500.00	2,500.00
Less: Unamortised upfront fees on borrowings	(18.64)	(30.78)
	<b>2,481.36</b>	<b>2,469.22</b>
Less: Current maturities of long term debt from a related party classified as short term borrowings	(2,481.36)	-
	<b>-</b>	<b>2,469.22</b>
<b>(ii) Term loans</b>		
From related party	112.27	56.00
	<b>112.27</b>	<b>2,525.22</b>

**(a) Borrowings through NCBs**

Particulars	As at March 31, 2023	As at March 31, 2022	Term of repayment
Non-Convertibles Bonds (NCBs)	2,500	2,500	Unsecured NCBs of Rs. 10,00,000 each aggregating to Rs. 2,500 crores and are redeemable on March 22, 2024 at a premium of 9% to be compounded annually and payable at redemption.

**(b) Loan from JSW Steel Limited**

The Company has borrowed from JSW Steel amounting to Rs. 40,000,000 bearing an interest rate of 10.75% and is repayable on March 31, 2024 however as per management intention to extend the maturity by another two years, the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has borrowed from JSW Steel amounting to Rs. 520,000,000 bearing an interest rate of 11.25% and is repayable on March 31, 2024 however as per management intention to extend the maturity by another two years, the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

The Company has borrowed from JSW Steel amounting to Rs. 562,712,500 bearing an interest rate of 11.25% and is repayable on March 31, 2024 however as per management intention to extend the maturity by another two years, the same has been classified as non-current only. The principal and accrued interest thereon shall be unsecured obligations of the Company, and rank pari passu with any other unsecured and unsubordinated creditors of the Company.

**13. Other non-current financial liabilities**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	6.09	0.31
Premium on redemption of non-convertible debentures	-	230.32
	<b>6.09</b>	<b>230.63</b>

**14. Borrowings**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
<b>Current borrowings</b>		
Current maturities of non convertible debenture (Refer note 12)	2,481.36	-
	<b>2,481.36</b>	<b>-</b>





**PIOMBINO STEEL LIMITED**  
Notes forming part of the standalone financial statements

**15. Trade payables**

	Rs. in crores	
Particulars	As at March 31, 2023	As at March 31, 2022
(a) Total outstanding, dues of micro and small enterprises	-	-

**Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company)**

Description	As at March 31, 2023	As at March 31, 2022
Principal amount due outstanding as at end of year	-	-
Principal amount overdue more than 45 days	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

**(b) Total outstanding, dues of creditors other than micro and small enterprises**

Payable for operational creditors	-	-
Others	45.10	447.17
	<b>45.10</b>	<b>447.17</b>

**Ageing as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.13	43.94	1.03	-	45.10
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

**Ageing as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	-	-	-	-
Others	0.96	446.21	-	-	447.17
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Payables are normally settled within 180 days.

**16. Other current financial liabilities**

	Rs. in crores	
Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued and due on borrowings	116.46	116.46
Premium on redemption of non-convertible debentures	476.06	-
	<b>592.52</b>	<b>116.46</b>

**17. Other current liabilities**

	Rs. in crores	
Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	-	0.44
	-	<b>0.44</b>

**18. Revenue from operations**

	Rs. in crores	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of traded goods	45.46	560.36
	<b>45.46</b>	<b>560.36</b>





**Piombino Steel Limited**  
Notes forming part of the standalone financial statements

**Ind AS 115 (Revenue from contracts with customers)**

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure :

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from contracts with customer - sale of products</b>		
Trading of steel products	45.46	560.36
<b>Total revenue from operations</b>	<b>45.46</b>	<b>560.36</b>
India	45.46	560.36
Outside India	-	-
<b>Total revenue from operations</b>	<b>45.46</b>	<b>560.36</b>
<b>Timing of revenue recognition</b>		
At a point in time	45.46	560.36
<b>Total revenue from operations</b>	<b>45.46</b>	<b>560.36</b>

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Trade receivables	36.91	445.36

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>19. Other income</b>		
Interest Income earned on financial assets	537.92	507.00
Other Miscellaneous Income	0.02	-
	<b>537.94</b>	<b>507.00</b>

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>20. Purchase of stock-in-trade</b>		
Purchase of traded goods	49.89	559.55
	<b>49.89</b>	<b>559.55</b>

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>21. Finance costs</b>		
Premium on redemption of non-convertible debentures	245.73	227.12
Interest on borrowings	6.42	6.59
Unwinding of interest on financial liabilities carried at amortised cost	12.14	157.32
Other borrowing costs	47.69	43.95
	<b>311.98</b>	<b>434.98</b>

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>22. Other expenses</b>		
Legal and professional fees	0.51	0.57
Miscellaneous expenses	0.51	1.39
	<b>1.02</b>	<b>1.97</b>

**a) Remuneration to auditors Included in legal and professional Fees**

As Statutory audit fees (including limited reviews)	0.25	0.24
For certification and other services	-	0.04

**b) Corporate social responsibility (CSR)**

Particular	For the year ended 31 March ,2023		For the year ended 31 March ,2022	
	In- Cash	Yet to be paid in cash	In- Cash	Yet to be paid in cash
(a) Gross amount required to be spent by the Company during the year	0.44	-	-	-
(b) Amount spent on:				
(i) Construction / acquisition of assets	-	-	-	-
(ii) On purposes other than (i) above (for CSR projects)	-	0.44	-	-

Amount paid to JSW Foundation, a related party in relation to CSR expenditure(refer note 25 )

**(c) Details of related party transactions**

(d) Nature of CSR activities	1. Public health infrastructure, capacity building & support programs 2. Project management cost
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**PIOMBINO STEEL LIMITED**
**Notes forming part of the standalone financial statements**
**23. Earnings per share**

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit/(loss) attributable to equity shareholders for the year (A)	168.04	85.38
Weighted average number of equity shares for the purpose of calculating basic earnings per share (B)	6,100,000,000	4,044,383,562
Weighted average number of equity shares for the purpose of calculating diluted earnings per share (C)	6,100,000,000	11,044,383,562
Earnings per share		
Basic (Face value of Rs. 10 each) (A/B)	0.28	0.21
Diluted (Face value of Rs. 10 each) (A/B)	0.28	0.08

**24. Income Tax**
**A. Income Tax expense**

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	56.69	26.39
Deferred tax	(0.04)	(40.90)
<b>Total tax expense</b>	<b>56.65</b>	<b>(14.52)</b>

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

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Effective tax rate reconciliation</b>		
Profit before tax	224.69	70.86
Enacted tax rate in India	25.17%	25.17%
<b>Expected income tax expense at statutory tax rate</b>	<b>56.65</b>	<b>17.83</b>
<b>Tax effect of expenses not deductible in determining taxable profits</b>		
Deferred tax assets not recognized	0.04	8.55
<b>Tax expense for the year</b>	<b>56.69</b>	<b>26.39</b>
<b>Effective income tax rate</b>	<b>25.23%</b>	<b>37.24%</b>

**B. Deferred tax asset (net)**

Deferred tax balance in relation to	Rs. in crores			
	As at 31-Mar-22	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at 31-Mar-23
Others	-	0.04	-	0.04
<b>Total tax expense</b>	<b>-</b>	<b>0.04</b>	<b>-</b>	<b>0.04</b>

**25. Related party disclosures as required by Ind AS 24**
**A. Relationships**
**1. Holding Company**

JSW Steel Limited (with effect from October 1, 2021)

**2. The investing party in respect of which the reporting enterprise is a joint venture**

JSW Steel Limited (upto September 30, 2021)

JSW Shipping & Logistics Private Limited (upto September 30, 2021)

**3. Subsidiary Company**

Bhushan Power & Steel Limited (with effect from March 26, 2021)

West Waves Maritime & Allied Services Private Limited (with effect from November 24, 2021)

**4. Fellow Subsidiary Company**

JSW Steel Coated Products Limited

Asian Color Coated Ispat Limited (amalgamated with JSW Steel Coated Products Limited with effect from February 24, 2023)

JSW Vallabh Tinplate Private Limited





**PIOMBINO STEEL LIMITED****Notes forming part of the standalone financial statements****5. Key Management Personnel**

Mr. Kaustubh Kulkarni (with effect from January 19, 2022)  
 Mr. Mohit Goyal (with effect from January 19, 2022)  
 Mr. Alok Kumar Mishra

Chief Executive Officer  
 Chief Financial Officer  
 Company Secretary

**6. Board of Directors**

Mr. Manoj Kumar Mohta (with effect from December 1, 2021)  
 Mr. Anil Kumar Singh (with effect from December 1, 2021)  
 Mr. Divyakumar Bhair (with effect from December 1, 2021)  
 Mr. Anunay Kumar (with effect from December 1, 2021)  
 Dr. (Mrs.) Rakhi Jain (with effect from December 1, 2021)  
 Mr. Bhushan Prasad (upto December 1, 2021)  
 Mr. Sundeeep Jain (upto December 1, 2021)  
 Mr. Sriram K.S.N. (upto December 1, 2021)

Non-Independent Non-Executive Director  
 Non-Independent Non-Executive Director  
 Non-Independent Non-Executive Director  
 Independent Non-Executive Director  
 Independent Non-Executive Director  
 Non-Independent Non-Executive Director  
 Non-Independent Non-Executive Director  
 Non-Independent Non-Executive Director

**7. Other related party**

JSW Shipping & Logistics Private Limited (with effect from October 01, 2021)  
 West Waves Maritime & Allied Services Private Limited (upto November 23, 2021)

**B. Transactions with related parties**

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Bhushan Power &amp; Steel Limited</b>		
Interest income	537.92	507.00
<b>JSW Steel Limited</b>		
Loan received	56.27	56.00
Finance costs	6.42	157.66
Purchase of steel products	41.81	663.65
Rent expense	0.01	-
<b>JSW Steel Coated Products Limited</b>		
Trading of steel products	23.39	341.04
<b>Asian Color Coated Ispat Limited</b>		
Trading of steel products	-	63.06
<b>JSW Vallabh Tinplated Private Limited</b>		
Trading of steel products	-	73.09
<b>West Waves Maritime &amp; Allied Services Private Limited</b>		
Advance given	-	0.05
Reimbursement of expenses incurred on our behalf	-	0.81
Finance costs	-	181.12
<b>JSW Foundation</b>		
CSR expenditure	0.44	-
<b>Director Remuneration</b>		
Remuneration to Kaustabh Kulkarni*	0.00	0.00

\*Rs. 1000

**Notes:**

1. Transactions are inclusive of taxes wherever applicable.

2. The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company paid to them by way of sitting fees during current year is ` 0.018 crores (previous year `0.012 crores), which is not included above.

**Terms and conditions****Sales**

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties

**Purchases**

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.





**PIOMBINO STEEL LIMITED**

Notes forming part of the standalone financial statements

**C. Balances with related parties**

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
<b>Bhushan Power &amp; Steel Limited</b>		
Interest receivable	951.09	515.30
<b>JSW Steel Limited</b>		
Loan outstanding	112.27	56.00
Interest payable	122.08	116.30
Trade payables	43.59	445.65
<b>JSW Steel Coated Products Limited</b>		
Trade receivables	23.38	340.75
<b>Asian Color Coated Ispat Limited</b>		
Trade receivables	-	31.51
<b>JSW Vallabh Tinplated Private Limited</b>		
Trade receivables	-	48.03
<b>JSW Shipping &amp; Logistics Private Limited</b>		
Interest payable	0.47	0.47
<b>JSW Foundation</b>		
CSR expenditure	0.44	-

**26. Financial Instruments**
**26.1 Capital Risk Management**

The Company maintains a strong credit rating through optimum mix of debt and equity. The principal source of funding of the Company is from inter corporate loans, capital markets and investors. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio. The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Particulars	Rs. in crores	
	As at March 31, 2023	As at March 31, 2022
Borrowings	2,593.63	2,525.22
Less: Cash and cash equivalent	(0.03)	(4.23)
<b>Net debt</b>	<b>2,593.60</b>	<b>2,520.99</b>
<b>Total equity</b>	<b>6,353.96</b>	<b>6,185.92</b>
<b>Gearing ratio</b>	<b>0.41</b>	<b>0.41</b>

Equity includes all capital and reserves of the Company that are managed as capital and debt is defined as long and short term borrowings.

**26.2 Categories of financial instruments**

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

**As at March 31, 2023**

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	36.91	-	36.91	36.91
Cash and cash equivalents	0.03	-	0.03	0.03
Other financial assets	951.37	-	951.37	951.37
<b>Total</b>	<b>988.31</b>	<b>-</b>	<b>988.31</b>	<b>988.31</b>
<b>Financial liabilities</b>				
Long term borrowings (including current maturities)	2,593.63	-	2,593.63	2,593.63
Trade payables	45.10	-	45.10	45.10
Other financial liabilities	598.60	-	598.60	598.60
<b>Total</b>	<b>3,237.33</b>	<b>-</b>	<b>3,237.33</b>	<b>3,237.33</b>

**As at March 31, 2022**

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Trade receivables	445.36	-	445.36	445.36
Cash and cash equivalents	4.23	-	4.23	4.23
Other financial assets	464.40	-	464.40	464.40
<b>Total</b>	<b>913.99</b>	<b>-</b>	<b>913.99</b>	<b>913.99</b>
<b>Financial liabilities</b>				
Long term borrowings	2,525.22	-	2,525.22	2,525.22
Trade payables	447.17	-	447.17	447.17
Other financial liabilities	347.09	-	347.09	347.09
<b>Total</b>	<b>3,319.48</b>	<b>-</b>	<b>3,319.48</b>	<b>3,319.48</b>





**PIOMBINO STEEL LIMITED**
**Notes forming part of the standalone financial statements**
**27. Fair value hierarchy of financial instruments**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature. A significant part of the financial assets is classified as Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in debt securities, accordingly, any material volatility is not expected.

**Details of financial assets/liabilities measured at amortised cost but fair value disclosed in category-wise**

Particulars	Level and valuation techniques	Rs. in crores	
		As at March 31, 2023	As at March 31, 2022
<b>Long term borrowings (Including current maturities)</b>	Level 2, estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities.		
Carrying value		2,593.63	2,525.22
Fair value		2,593.63	2,525.22

**27.1 Market risk management**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

**27.2 Interest risk management**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees with fixed rates of interest.

**27.3 Liquidity risk management**

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

**As at March 31, 2023**

Particulars	Rs. in crores			
	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>				
Trade receivables	36.91	-	-	36.91
Cash and cash equivalents	0.03	-	-	0.03
Other financial assets	951.37	-	-	951.37
<b>Total</b>	<b>988.31</b>	<b>-</b>	<b>-</b>	<b>988.31</b>
<b>Financial liabilities</b>				
Long term borrowings	2,481.36	112.27	-	2,593.63
Trade payables	45.10	-	-	45.10
Other financial liabilities	592.51	6.09	-	598.60
<b>Total</b>	<b>3,118.97</b>	<b>118.36</b>	<b>-</b>	<b>3,237.33</b>

**As at March 31, 2022**

Particulars	Rs. in crores			
	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>				
Trade receivables	445.36	-	-	445.36
Cash and cash equivalents	4.23	-	-	4.23
Other financial assets	464.13	0.25	0.02	464.40
<b>Total</b>	<b>913.72</b>	<b>0.25</b>	<b>0.02</b>	<b>913.99</b>
<b>Financial liabilities</b>				
Long term borrowings	-	2,525.22	-	2,525.22
Trade payables	447.17	-	-	447.17
Other financial liabilities	116.46	230.63	-	347.09
<b>Total</b>	<b>563.63</b>	<b>2,755.85</b>	<b>-</b>	<b>3,319.48</b>

**27.4 Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Currently, the Company has limited customer base. The Company selects customers after due diligence based on creditworthiness as a means of mitigating the risk of financial loss from defaults.

**28. Segment reporting**

The Company is in the business of coal and steel products trading activity, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Domestic	45.46	560.36
	<b>45.46</b>	<b>560.36</b>

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

**b. Non-current assets**

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

**c. Customer contributing more than 10% of revenue**

Particulars	Rs. in crores	
	For the year ended March 31, 2023	For the year ended March 31, 2022
JSW Steel Coated Products Limited	23.39	-
Namco Industries Private Limited	13.52	-
Apl Apollo Tubes Limited	-	-
Elamrin Mercantile Private Limited	-	560.36
	<b>36.91</b>	<b>560.36</b>





**PIOMBINO STEEL LIMITED****Notes forming part of the standalone financial statements****29. Contingent Liabilities**

The Company does not have any contingent liabilities as on March 31, 2023 (March 31, 2022 : NIL).

30. Previous year's figures have been reclassified/regrouped, wherever necessary, to confirm with the current period classification in comply with requirements of the amended Schedule III to the Companies Act, 2013.

31. West Waves Maritime & Allied Services Private Limited became a wholly owned subsidiary of the Company with effect from November 24, 2021, upon acquisition of its entire equity shareholding from Magnificent Merchandise and Advisory Services Private Limited for a premium of Rs. 9.17 per share. The Company had earlier availed financial assistance from West Waves Maritime & Allied Services Private Limited amounting to Rs. 2500 crores in relation to the acquisition of the Bhushan Power and Steel Limited.

32. The Board of Directors of the Company in their meeting held on the January 19, 2022 considered and approved the Scheme of Amalgamation pursuant to Section 233 and other applicable provisions of the Companies Act 2013, providing for the merger of its wholly owned subsidiary West Waves with the Company. The Regional Director of Ministry of Corporate Affairs, Western Region vide order dated May 6, 2022 approved the scheme of amalgamation of West Waves with the Company. Pursuant to receiving all the necessary regulatory and other approvals, West Waves merged with the Company with effect from December 1, 2021. Accordingly, the Company in the previous year had accounted for the merger under the pooling of interest method as prescribed in Ind AS 103 – Business Combination of entity under common control.

Particulars	Amount in Rs. Crore
<b>Assets</b>	
Loans	2500.00
Other financial assets	155.59
Trade receivables	0.01
Cash and cash equivalents	0.03
Other current assets	30.90
<b>Total (A)</b>	<b>2686.52</b>
<b>Liabilities</b>	
Borrowings	2500.00
Other financial liabilities	155.34
Trade payable	0.01
Other financial liabilities	0.01
Other current liabilities	30.38
<b>Total (B)</b>	<b>2,685.75</b>
<b>Total identifiable net assets acquired at book value (C) = (A-B)</b>	<b>0.78</b>
<b>Investments (D)</b>	<b>0.31</b>
<b>Capital reserve arising on merger (C-D)</b>	<b>0.47</b>





33. Ratio Analysis

S No	Ratios	Numerator	Denominator	FY 22-23	FY 21-22	Change	% Change	Change in ratio in excess of 25% compared to preceding year
1	Current Ratio (In times)	Current Assets	Current Liabilities	0.33	1.65	(1.32)	-80.19%	Change is mainly due to reclassification of borrowings in the current maturity and repayment has to be made in the next year
2	Debt Equity Ratio (In times)	Total Borrowings	Total Equity	0.41	0.41	(0.00)	-0.01%	
3	Debt service coverage ratio (In times)	Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges	Net Finance Charges	0.19	1.16	(0.97)	-83.59%	Change is mainly due to reclassification of borrowings in the current maturity and repayment has to be made in the next year
4	Return on Equity (%)	Profit after tax	Average Shareholder's equity	2.68%	1.86%	0.82%	44.14%	Increase was primarily on account of increase in profit after tax.
5	Inventory Turnover	Cost of Goods Sold	Average Inventory	21.88	-	21.88	100.00%	Change is due to goods lying in the inventory during the current year.
6	Debtors Turnover (In times)	Gross sales	Average Trade receivables	0.19	2.46	(2.27)	-92.28%	Quantum of change is due to decrease in turnover is more than decrease in trade receivables.
7	Trade payables turnover (In times)	Purchases of stock-in-trade + change in inventory	Average trade payables	0.19	2.44	(2.26)	-92.40%	Quantum of change is due to decrease in purchases is more than decrease in trade payables.
8	Net capital turnover (In times)	Net Sales	Working Capital	(0.02)	1.54	(1.56)	-101.41%	Decrease was primarily on account of decrease in revenue from operations.
9	Net Profit Margin (%)	Net profit for the year	Total Income	28.80%	8.00%	20.81%	260.11%	Higher profit margin attributable to increase in profit after tax and increase in total income.
10	Return on capital employed (%)	Profit before Tax, Exceptional Items, Depreciation and Finance Cost	Capital employed	6.00%	5.81%	0.19%	3.29%	
11	Return on investment <sup>^</sup>	NA	NA	NA	NA	NA	NA	

Note: Above ratios are based on the standalone financial statements of the Company

<sup>^</sup> The Company has neither made any new investment, nor declared any dividend in the current year. Further, all the investments of the Company are unquoted. Thus, this ratio is not applicable.

34. Qualitative disclosures pertaining to Schedule III

- (i) The Company do not have Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto or Virtual Currency during the year ended March 31, 2023.
- (v) The Company have 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);
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any 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);
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961.
- (viii) 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.
- (ix) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (xi) The are no title deeds as the Company does not have any immovable property.

As per our attached report of even date  
For Shah Gupta & Co.  
Chartered Accountants  
Firm Registration No.: 109574W

For and on behalf of the Board of Directors

Parth P Patel  
Partner  
Membership No.: 172670  
UDIN: 23172670BGXTN7369  
Place: Mumbai  
Date: 10 May, 2023



*Kaustubh Kulkarni*  
Kaustubh Kulkarni  
Chief Executive Officer

*Dhyakumar Bhair*  
Dhyakumar Bhair  
Director  
DIN: 08568679

*Anil Kumar Singh*  
Anil Kumar Singh  
Director  
DIN: 02059903



*Alok Kumar Mishra*  
Alok Kumar Mishra  
Company Secretary  
M. No. A15967

*Mohit Goyal*  
Mohit Goyal  
Chief Financial Officer