AM/NS INDIA

ArcelorMittal Nippon Steel India

REIMAGINEERING BHARAT

SMARTER STEELS BRIGHTER FUTURES

Annual Report 2023-24

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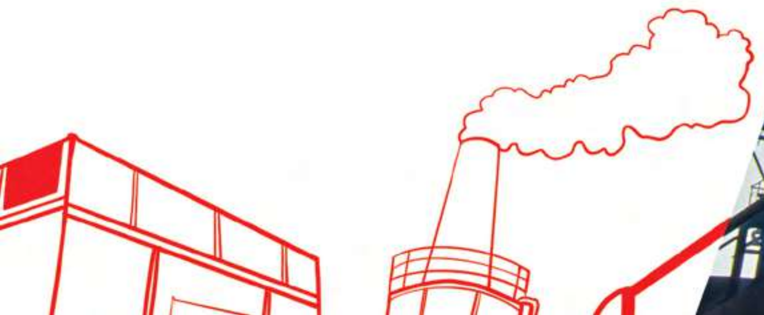


REIMAGINEERING BHARAT

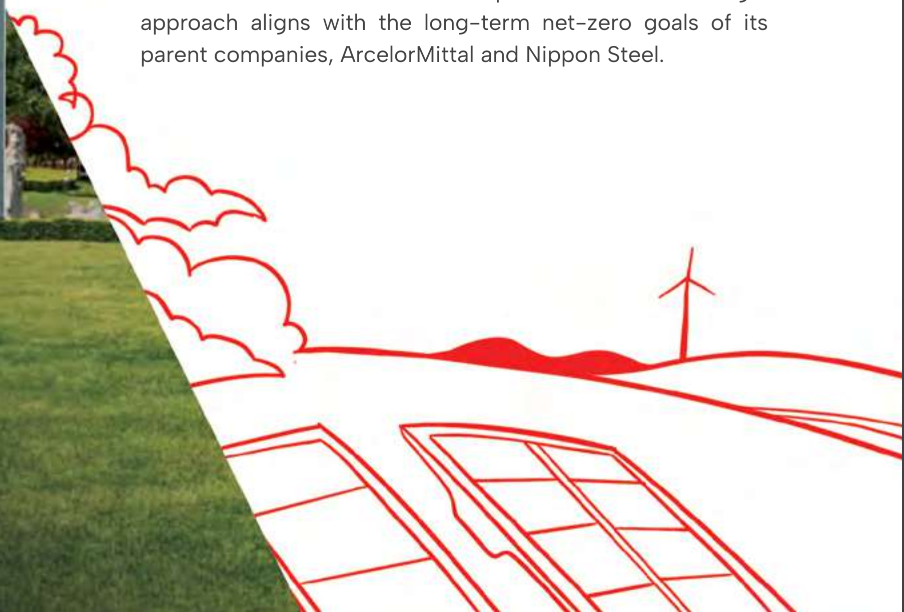
FORGING INDIA'S GROWTH WITH SUSTAINABLE STEEL

ArcelorMittal Nippon Steel India Limited (AMNSI) exemplifies a journey defined by relentless innovation, unwavering dedication to sustainability, and a steadfast commitment to India's growth. Established in December 2019, AMNSI combines the formidable expertise of ArcelorMittal and Nippon Steel. Strategically located in Hazira, it stands as Western India's sole coastal steel manufacturing hub, leveraging logistical advantages and reaffirming its regional dedication.

From its inception, AMNSI has played a pivotal role in India's economic landscape, aligning closely with the "Make in India" initiative. Its advanced manufacturing capabilities have been integral to powering vital sectors such as infrastructure, automotive, and defence. The Company's expansive footprint and robust operational framework enable it to deliver high-quality steel solutions that meet the nation's evolving industrial needs.

AMNSI exemplifies a commendable dedication to environmental responsibility, prioritising sustainability in all its operations. This commitment is evident through its impressive achievements and ambitious future targets. Since 2015, AMNSI has significantly reduced its carbon footprint, achieving a notable 35% decrease in CO_2 intensity. This measurable progress marks a substantial positive impact on the environment.

Looking forward, AMNSI is not content to rest on its laurels. It aims to achieve a further 20% reduction in emission intensity by 2030, compared to the 2021 baseline. Moreover, AMNSI is actively exploring and implementing various deep decarbonisation levers, focusing on significant emission reductions within its current operations. This strategic approach aligns with the long-term net-zero goals of its parent companies, ArcelorMittal and Nippon Steel.



AMNSI's commitment extends beyond internal initiatives. Its strategic collaboration with a leader in the renewable energy sector, underscores its dedication to sustainable practices. This partnership ensures access to clean energy sources, enabling AMNSI to reduce its environmental footprint further and contribute to a cleaner energy mix for India.

With a strong foundation already in place, thanks to a significant portion of its ironmaking through Natural Gas-Based DRI Modules and fully electrified steelmaking facilities (EAF & CONARC), AMNSI is well-positioned for a smooth transition towards a sustainable future. These modules can be gradually retrofitted to become compatible with hydrogen, allowing for a staged transition that minimises upfront costs and capital expenditure.

AMNSI's growth trajectory is ambitious and forward-thinking. By FY 2026, the Company will invest ₹ 60,000 Crore in its flagship plant, Hazira, increasing its manufacturing capacity to 15 Million tonnes, with a vision to scale up to 40 Million tonnes by FY 2035. Recent acquisitions of downstream facilities bolster its capability to offer comprehensive steel solutions, reinforcing its position as a leader in India's steel industry. Beyond economic contributions, AMNSI is deeply invested in fostering inclusive growth. Collaborative efforts with the National Small Industries Corporation and the National Skill Development Corporation underscore its commitment to supporting the MSME ecosystem through skill development and capacity building. These initiatives not only empower local communities but also strengthen the foundation for sustainable economic growth across the country.

As AMNSI continues "Reimagineering Bharat," it remains steadfast in its mission to build a stronger, sustainable, and self-reliant India. Through innovation, strategic partnerships, and a commitment to excellence, AMNSI is shaping a future where steel continues to be a catalyst for progress and sustainability. With a vision anchored in resilience and growth, the Company is forging a path toward a future where steel drives progress and champions a sustainable legacy for generations to come.

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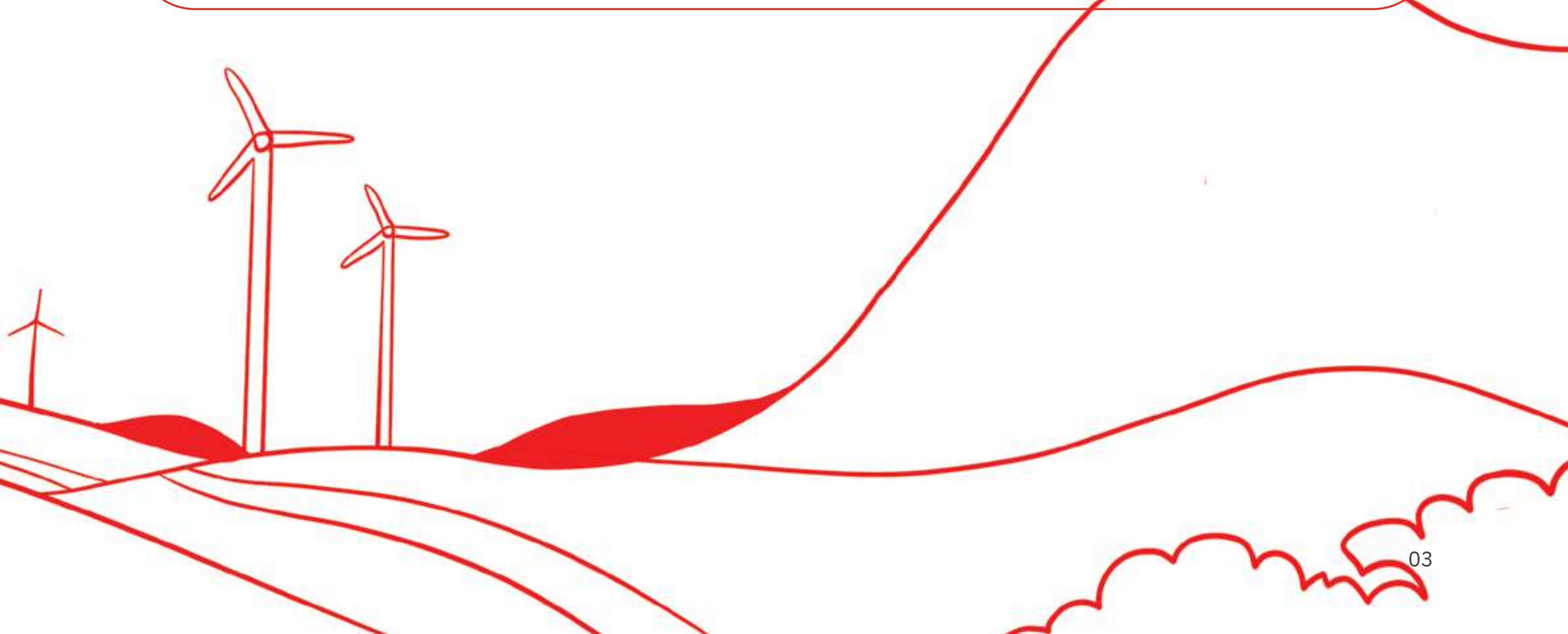


AMNSI IN NUMBERS

AMNSI continues to lead in sustainable steel solutions, making significant progress in reducing CO2 intensity and setting ambitious targets for future emissions reductions. This year, the Company has expanded its manufacturing capacity and reinforced its commitment to the MSME ecosystem, fostering inclusive growth and contributing to India's vision of a self-reliant and prosperous future.

Financial Highlights

Turnover

₹ 57,433.02

PAT

₹ 6,997.23 Cr

EPS

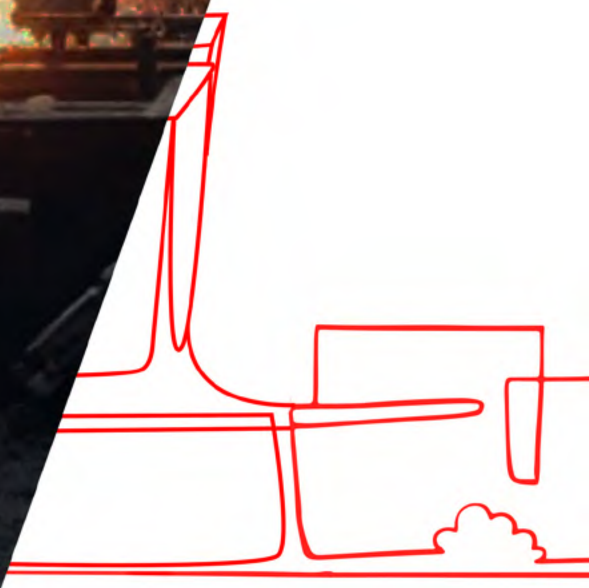
₹ 2.79

EBITDA

₹ 14,925 Cr

ROCE

13.79%



Operational Highlights

9.6
MT/year Crude Steel Production Capacity at Hazira

14%
Y-OY Volume Growth

11,771
KT of total mining

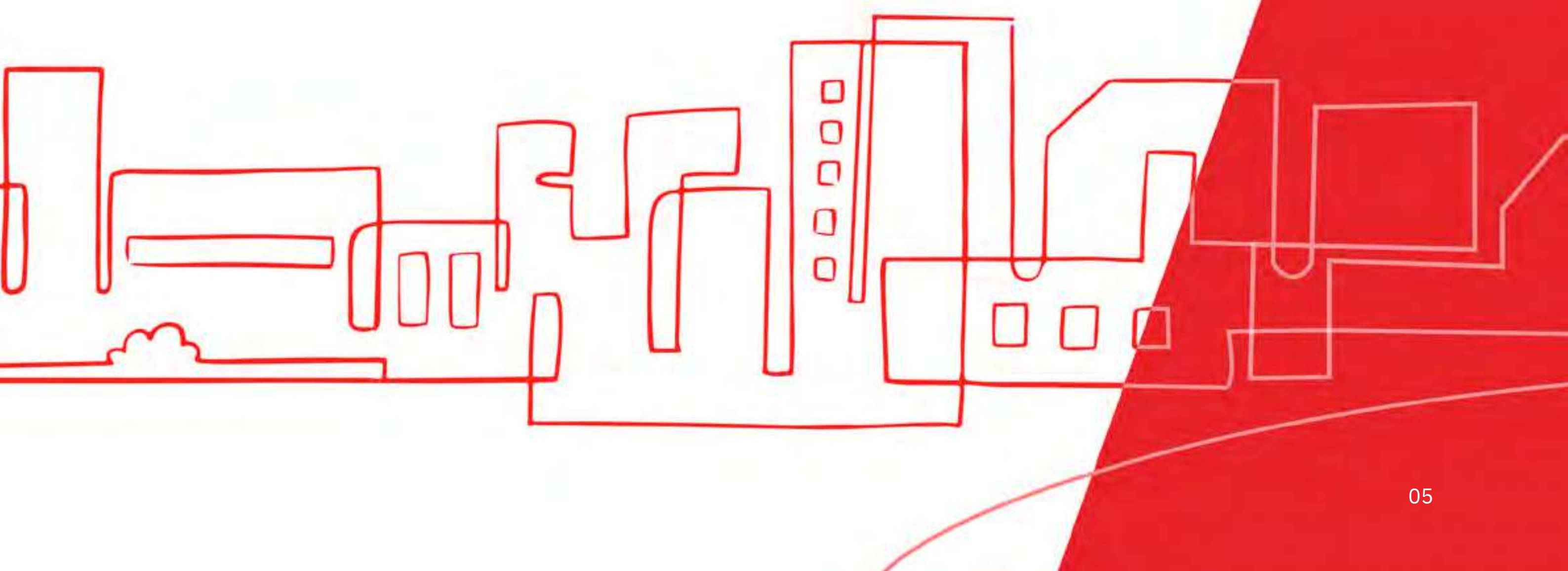
7,785
KT of steelmaking production

6
New products developed

17
New steel-grades

18
Hypermart outlets

7,230
Total workforce in India



ABOUT AMNSI

AMNSI is dedicated to strengthening and revitalising Bharat with innovative steel solutions. AMNSI is instrumental in India's development by meeting modern infrastructure and industry demands.

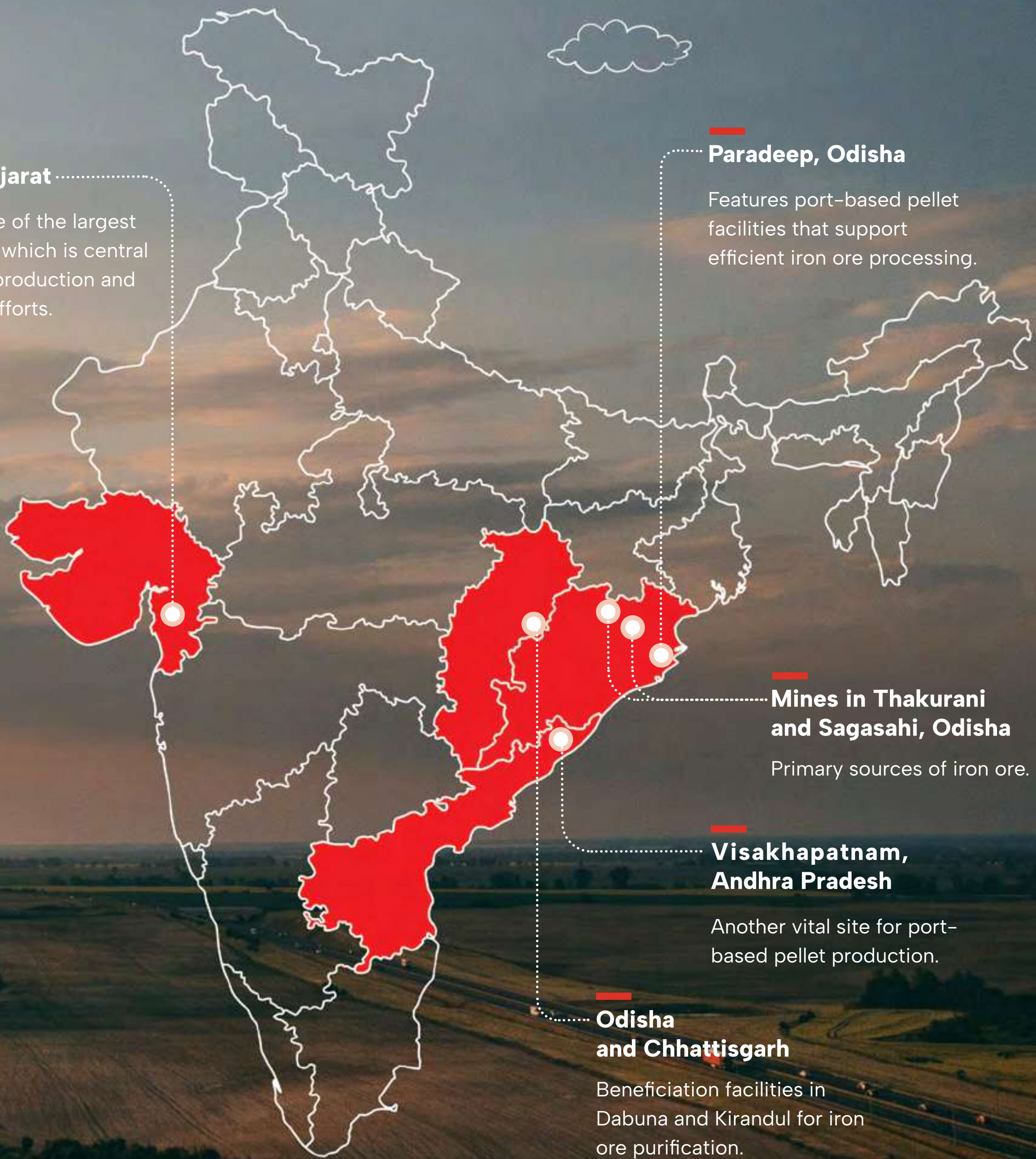
AMNSI is not just producing steel; it is forging a sustainable future for India. Its unwavering commitment to sustainability, advanced manufacturing, and strategic partnerships enables it to deliver high-quality steel that supports India's ambitious growth goals. AMNSI constantly pushes boundaries with innovative approaches, combining deep decarbonisation strategies with state-of-the-art manufacturing processes.

By prioritising sustainability, AMNSI ensures its steel products are not only high-quality but also environmentally responsible. The Company recognises that true sustainability extends beyond environmental concerns, committing to inclusive growth that benefits all stakeholders. This approach creates a win-win situation for both India's economy, and the environment.

AMNSI's dedication to sustainability is a driving force, reshaping India's future with smarter, more sustainable steel. Its efforts pave the way for a cleaner, more prosperous India for generations to come.

PRESENCE

AMNSI has a strong presence across India, marked by advanced manufacturing facilities and strategic operations. Key locations include:



Hazira, Gujarat

Home to one of the largest steel plants, which is central to AMNSI's production and innovation efforts.

Paradeep, Odisha

Features port-based pellet facilities that support efficient iron ore processing.

Mines in Thakurani and Sagasahi, Odisha

Primary sources of iron ore.

Visakhapatnam, Andhra Pradesh

Another vital site for port-based pellet production.

Odisha and Chhattisgarh

Beneficiation facilities in Dabuna and Kirandul for iron ore purification.

AMNSI's operations extend from raw material extraction to advanced steel production and distribution, reflecting a commitment to sustainability and excellence in the steel industry.

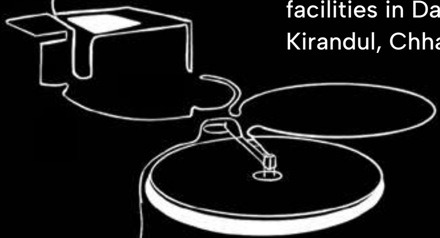
STEEL-MAKING PROCESS

Step 1

The Company begins by extracting iron ore from its mines at Thakurani and Sagasahi in Odisha.

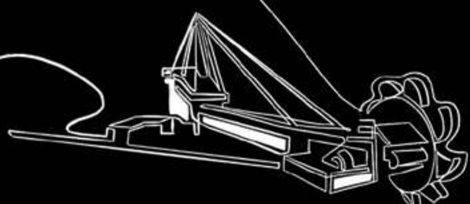
Step 2

The extracted iron ore is cleansed and purified at its beneficiation facilities in Dabuna, Odisha, and Kirandul, Chhattisgarh.



Step 3

The refined iron is transported to the Company's pellet facilities through an extensive network of slurry pipelines.



Step 4

At the port-based pellet facilities in Paradeep, Odisha, and Visakhapatnam, Andhra Pradesh, the Company transforms the iron into pellets.

Step 5

These iron pellets are then transported by cargo ships to the port at Hazira in Gujarat.

Step 6

Subsequently, the iron pellets are conveyed to its Hazira facility via several conveyor belts

Step 7

At Hazira, the iron pellets are converted into molten iron or DRI using blast furnaces, MIDREX, and COREX technologies.

Step 8

The liquid iron is processed through an electric arc furnace and CONARC to achieve the required steel quality.

Step 9

The steel is refined through chemical processing, converted into slabs, and ultimately rolled into finished products.

Step 10

Through galvanising, colour coating, and other processes, the Company customises the steel to meet specific requirements at its facilities in Pune.

Step 11

The value-added steel products are transported to the Company's service centres and hypermarts via railways and commercial vehicles.

Step 12

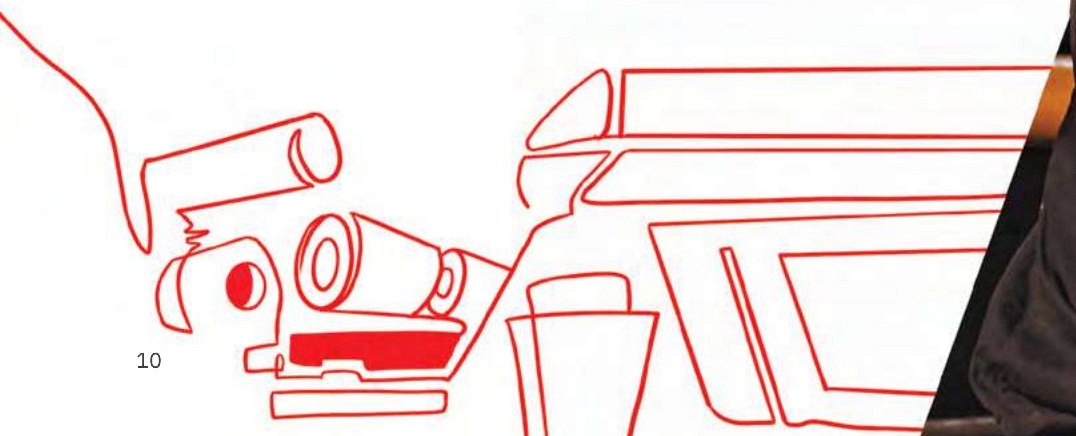
AMNSI delivers steel solutions to its customers across the country – and globally

PRODUCT PORTFOLIO

AMNSI strives for excellence across all market segments, driven by a commitment to provide superior quality and value. This dedication is rooted in rigorous quality control throughout the entire steel-making process, from raw material acquisition to the production of finished goods and across the supply chain. By consistently delivering on promises and exceeding customer expectations, AMNSI builds trusted, long-term partnerships.

The Company's wide range of products, integrated production sites, and exceptional logistics network enable it to supply steel seamlessly to the world's largest businesses. This ensures that AMNSI meets its clients' most pressing requirements for sustainable steel products.

- HR Hot Rolled Steel
- CR Cold Rolled Steel
- Coated Steel
- PMP Plates
- HSAW/LSAW Pipes
- Pellets



INDUSTRY SEGMENTS

AMNSI is proud to serve a diverse range of steel-consuming industries. The Company's extensive product offerings cater to the unique needs of sectors such as automotive, construction, infrastructure, energy, and manufacturing. With a commitment to delivering high-quality steel solutions, AMNSI supports the growth and innovation of these industries, ensuring they have the reliable materials needed to excel. AMNSI's ability to provide customised solutions and meet stringent industry standards, reinforces its position as a trusted partner in the steel industry, driving progress and excellence across all the sectors it serves.

- Automotive
- Appliances
- Energy
- Infrastructure
- Packaging
- Agriculture
- Defence

INDUSTRY APPLICATIONS

AMNSI's diverse product portfolio is tailored to meet the specific needs of the various industry sectors it serves, providing them with the reliable materials necessary for their advancement. By offering tailored solutions and meeting rigorous industry standards, AMNSI plays a crucial role in supporting the development and innovation of these industries. This commitment to quality and reliability positions AMNSI as a dependable leader, promoting progress and excellence in every sector it serves.


Airports, roads and bridges


Boilers – thermal power stations


Structural constructions

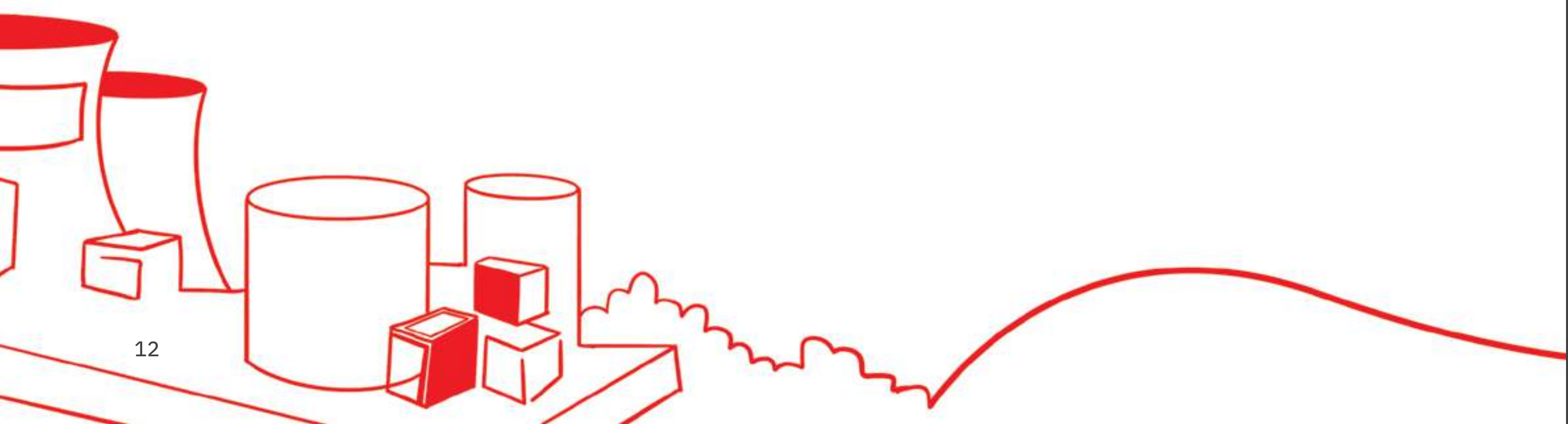

Excavators


Storage tanks


Pressure vessels


Pre-engineering buildings


Wind energy



KEY MARKETING INITIATIVES

"Banaunga Main, Banega Bharat" Campaign

On November 3, 2023, AMNSI unveiled its new corporate campaign, "Banaunga Main, Banega Bharat," created by Creativeland Asia. This campaign celebrates India's progress and the skilled workforce driving its development.

Targeting young minds, the campaign highlights achievements in manufacturing, science, and technology, aligning with "Aatmanirbhar Bharat" and "Make in India".

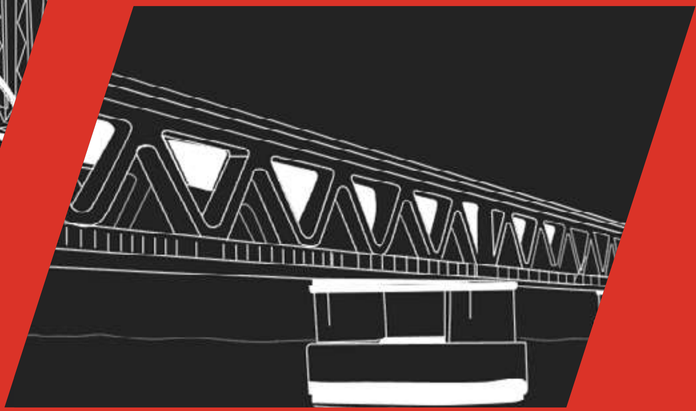
The visually stunning film, produced by iProspect, spans television and digital media, celebrating key sectors such as technology, construction, sustainability, and women's empowerment. It honours the individuals instrumental in India's development and showcases AMNSI's commitment to social empowerment and national progress.

PROUDLY JOIN THE
BANAUNGI MAIN, BANEGA BHARAT
MOVEMENT.

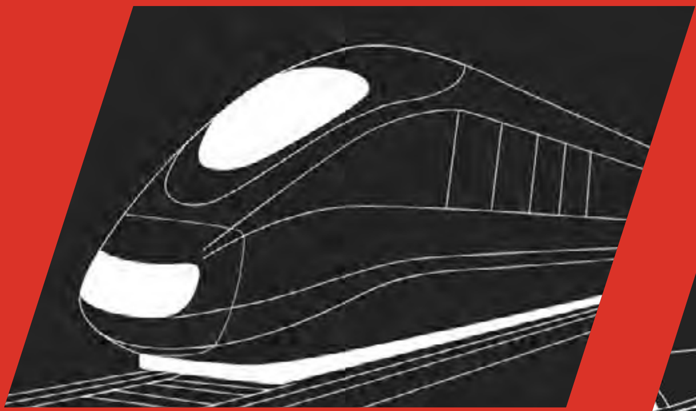
KEY PROJECTS

Chenab Bridge

Bogiebeel Bridge

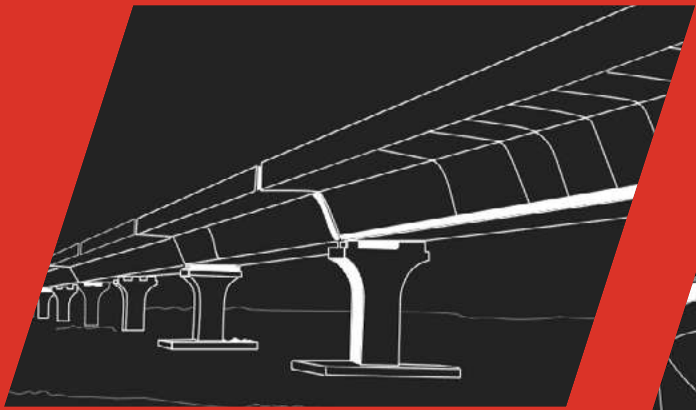


Mumbai-Ahmedabad High-Speed Rail Project

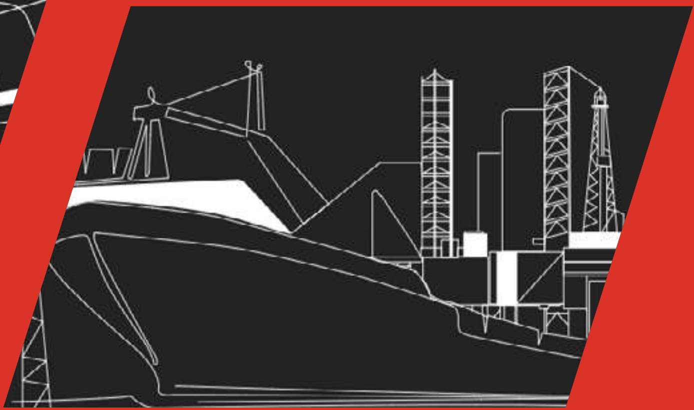


Atal Rohtang Tunnel

Dhola Sadiya Bridge

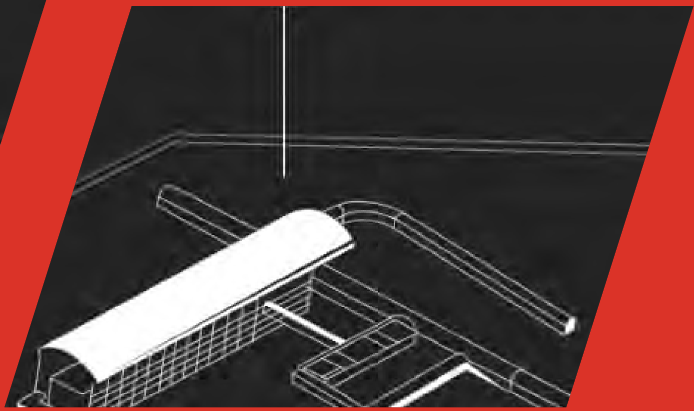


Drydocks World

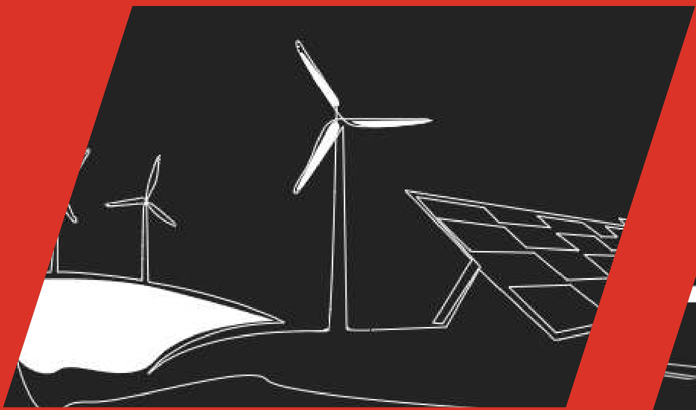


Gorakhpur Harayana Anu Vidyut Pariyojana

Indian Neutrino Observatory



Integrated Renewable Energy Project



Istanbul International Airport

Pakal Dul Hydroelectric Power Project

Seagreen OWF

MESSAGE FROM THE CHAIRMAN

Aditya Mittal
Chairman

Dear Esteemed Shareholders,

Welcome to AMNS India's 48th annual report.

I am pleased to note that this past year has been strong for both India and AMNS India. India's economic performance has begun to display the enviable characteristic of consistently high growth, with recent evidence suggesting that this growth is also becoming more resilient, sustainable, and self-reliant. This is also the story of AMNS India. We may be the youngest steel manufacturer in India, but I believe we are the boldest in our embrace of the opportunity India presents.

India – and AMNS India's – performance must also be judged against the backdrop of a deeply uncertain global external environment: mitigating risk has become as complex as it is necessary. Geopolitical risks have heightened, while high inflation and synchronised monetary tightening by central banks weighed down developed economies.

This is where India comes in: an economy that grew 8.2% in FY 2024 and is expected to replicate that same intensity of economic activity for the next decade, is not only critical for steel manufacturers in India; India's own economic growth is critical for the global economy.

This economic growth is being supported by the consistency and clarity of federal and state-level policies we are seeing in areas including business-friendly reforms, infrastructure expansion, digitalisation, fiscal-deficit debt management, Make in India, and incentivising services and exports.

Much of India's economic development is infrastructure focused. We are seeing considerable state investment in roads, rail, education and healthcare. This is good news for steelmakers - these are steel-intensive projects and an important reason why we expect steel demand to rise by 8 to 10% this fiscal year. Where is all this leading? If India is to fulfil its ambition to become a developed economy by 2047, steel capacity must double by 2032 and increase more than three-fold by the middle of the century. AMNS India has an important role to play here.

To meet India's sustained demand for steel, we are expanding our flagship facility in Hazira into the world's largest single-location integrated steel plant. In the first phase, which is expected to be completed by 2026, we will lift annual capacity

> Over the last four years, AMNS India has invested c. $ 5.3 Billion in India on capital expenditure and strategic acquisitions of ports, power plants, slurry pipelines, and downstream facilities. These are strategic additions because they strengthen the integration of our manufacturing and logistics value chain. This scale of capex also demonstrates our long-term commitment to India.

from 9 Million tonnes to 15 Million tonnes, with further phases being planned so that we could reach 24 Million tonnes of capacity at Hazira. We are also exploring opportunities on the eastern side of India, with our long-term vision to increase our Indian steelmaking capacity to 40 Million tonnes.

That will require significant investment - something we have proved that we are committed to doing. Over the last four years, AMNS India has invested c. $ 5.3 Billion in India on capital expenditure and strategic acquisitions of ports, power plants, slurry pipelines, and downstream facilities. These are strategic additions because they strengthen the integration of our manufacturing and logistics value chain. This scale of capex also demonstrates our long-term commitment to India.

Given how much is going on, it is always exciting to visit the AMNS India operations. When I do, I set aside plenty of time to learn about how our colleagues are strengthening our standards on safety, sustainability and entrepreneurship. Safety is something I am particularly determined to improve, and AMNS India has been included in the group-wide audit that ArcelorMittal has conducted with world leading safety consultants dss+ over the course of this year, to help accelerate the path to zero fatalities and accidents. Clearly with such a significant construction project ongoing, relying on thousands of contractors, the challenge to keep every single person safe is real and can never be taken for granted.

As an organisation, AMNS India is deeply committed to leading the steel industry's efforts to decarbonise and I am particularly impressed by our younger colleagues' enthusiasm for sustainability and climate. In AMNS India's inaugural Climate Action Report published earlier this year, we set out an immediate roadmap to reduce our emission intensity by a further 20% by 2030. This is an ambitious target, but one that is credible and achievable by focusing on three priority levers – operational efficiency improvements, increasing our use of scrap, and significantly scaling up our use of clean energy, targeting meeting 100% of our grid electrical energy needs by 2030.

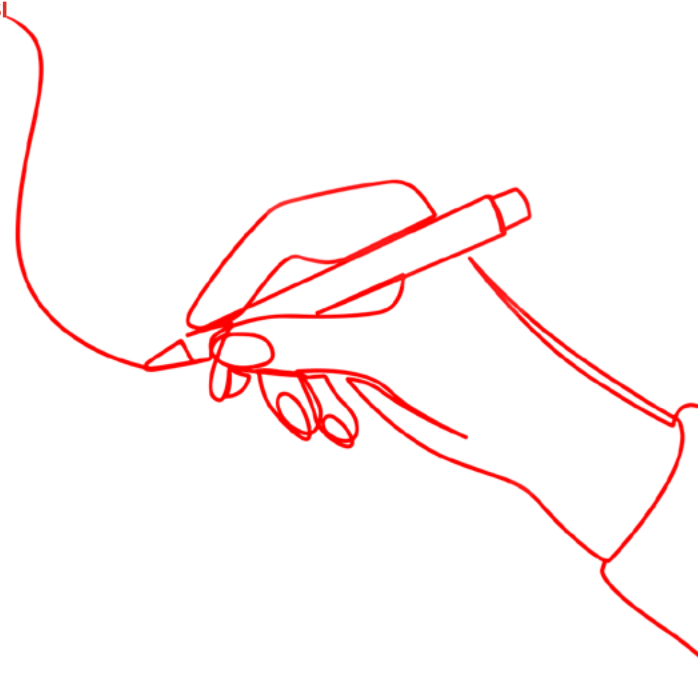
Over the longer-term, we are confident that two breakthrough technologies - carbon capture utilisation and storage and green hydrogen-based ironmaking - could help make net-zero steelmaking in India a reality. As a business with a global footprint, we know that each region must follow a decarbonisation pathway that reflects its own physical geography and energy infrastructure, as well as the development status of its economy and climate policy. India is no exception. But the advantage that AMNS India has is access to its parent companies' technology portfolios. Therefore, when India's climate policy and clean energy infrastructure have sufficiently evolved, it will have access to a suite of decarbonisation technologies that can support it efforts to reach net zero.

We have had a strong start to life and a good year, and at AMNS India, there is an infectious optimism. I think that all our employees really see that they can be part of "Reimagining Bharat". I thank our 7,230 strong workforce and all our external stakeholders for the important role they are all playing in helping to make AMNS India part of India's prosperous future.

Sincerely,

Aditya Mittal

AMNSI



MESSAGE FROM THE CEO

Dear Shareholders,

I am delighted to share with you the annual report for AMNSI for FY 2024. This year has been a testament to our resilience, innovation, and unwavering commitment to excellence, as we navigated an ever-evolving landscape and achieved remarkable milestones.

Dilip C Oommen
Director & CEO

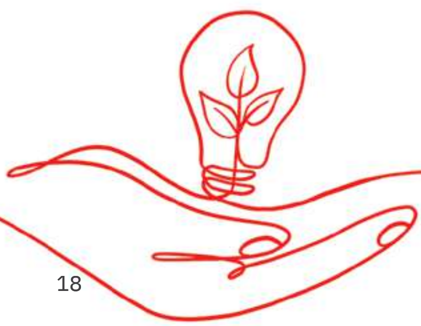
Operational Excellence and Growth

Our focus on operational excellence has driven us to new heights. We have optimised our processes, enhanced our production capabilities, and maintained our commitment to delivering high-quality products to our customers. Our efforts have resulted in a strong performance, characterised by a 14% year-over-year growth in the production of crude steel. The domestic market remains our primary focus, with a significant portion of our sales directed towards Auto & OEM customers and the Hypermart channel. Additionally, we have expanded our reach to international markets, particularly the EU, Middle East, and Asia.

Financially, our total revenue increased to ₹ 58,217.23 Crore from ₹ 54,434.20 Crore the previous year, our net profit surged dramatically to ₹ 6997.23 Crore from ₹ 2,186.95 Crore in FY 2023. This significant increase in profitability is a testament to our strategic initiatives, cost optimisation efforts, and focus on high-margin products.

Innovation and Sustainability

Innovation is the cornerstone of our strategy. This year, we have made significant strides in our research and development initiatives, creating advanced steel products that not only meet, but exceed industry standards. Our digital initiatives, including the launch of a Customer Portal, SAP HANA, and CRM tools, have enhanced the customer experience and improved productivity. Our commitment to sustainability is reflected in our ongoing efforts to reduce our environmental impact through cutting-edge technologies and green steel initiatives.



Empowering Our Workforce

Our people are the driving force behind our success. We have continued to invest in our workforce, fostering a culture of continuous learning, inclusivity, and collaboration. Our training and development programmes are designed to empower our employees to reach their full potential, ensuring that we remain at the forefront of industry innovation and excellence.

Community Engagement and Responsibility

Corporate Social Responsibility remains a core focus of our operations. We have made substantial contributions to community development, focusing on education, healthcare, and sustainable livelihoods. Our initiatives have had a positive impact on the communities in which we operate, and we are committed to continuing our efforts to drive meaningful change.

Looking Forward

As we move forward, we remain focused on our vision to be the world's leading steel Company, admired for our innovative solutions, operational excellence, and commitment to sustainability. Our strategic initiatives, strong financial foundation, and dedicated team position us well to capitalise on the opportunities ahead and navigate any challenges that may arise.

I would like to express my sincere gratitude to our stakeholders, including our employees, customers, partners, and shareholders, for their unwavering support and trust. Together, we will continue to build on our successes and drive AMNSI to new heights of achievement.

Warm regards,

Dilip C. Oommen
AMNSI

ENSURING SAFETY ACROSS ALL OPERATIONS

At AMNSI, the commitment to health and safety is unwavering. This year, the theme "Believe in Zero" underscores the Company's determination to eliminate workplace accidents. Despite facing one of its most challenging years in safety performance, the Company is focussed on progress and proactive measures.

Key initiatives undertaken by the Company include:

Third-Party Audit

dss+ conducts a comprehensive third-party audit, commissioned to refine the roadmap to zero accidents by identifying and addressing safety gaps.

Predict and Prevent Culture

Implementing risk control and mitigation strategies to shift towards a more proactive safety culture.

Enhanced Training

Providing high-quality safety and golden rules training for employees and contractors.

Leadership Engagement

Increasing leadership presence on the shop floor to reinforce safety protocols.

Safety Perception Survey

Surveying more than 2,00,000 employees and contractors to gather insights and improve safety measures.

Process Safety

Focussing audits and assessments on key occupational risks to prevent fatal accidents.

Fatality Prevention

Focussing audits and assessments on key occupational risks to prevent fatal accidents.

Progress and Continuous Improvement

AMNSI's journey to zero accidents involves intensified coaching, training, and a focus on safety priorities. Despite the Company's efforts, fatal accidents have occurred, highlighting the need for continued vigilance and rigorous safety measures.

The Path Forward

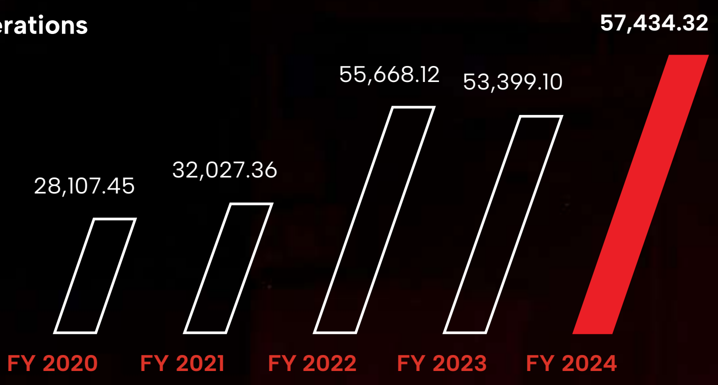
The ongoing dss+ audit, expected to be completed by September, is a pivotal step in the Company's safety strategy. The audit findings will drive further improvements and accelerate our progress towards zero accidents. AMNSI's commitment to achieving zero accidents is unwavering, and it is dedicated to cultivating a culture where safety is the highest priority.

Global Health and Safety Day

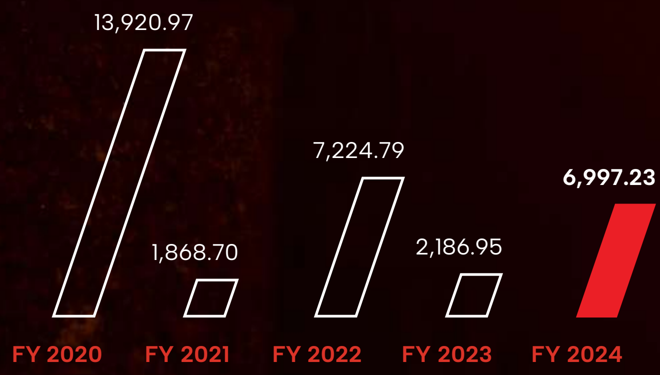
On Global Health and Safety Day, the organisation reaffirms its unwavering dedication to safety through a variety of activities and events across all sites. Employees are encouraged to fully engage and contribute to making the workplace safer. With collective belief, commitment, and consistent action, the Company is confident that achieving zero accidents and ensuring the well-being of all its employees is within reach.

KEY PERFORMANCE INDICATORS

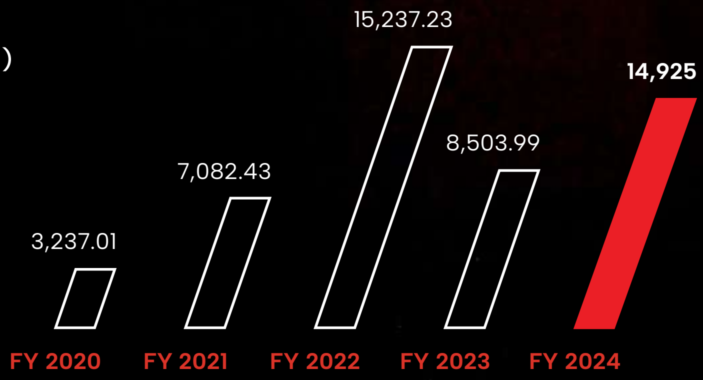
Revenue from Operations
(₹ in Crore)



PAT
(₹ in Crore)

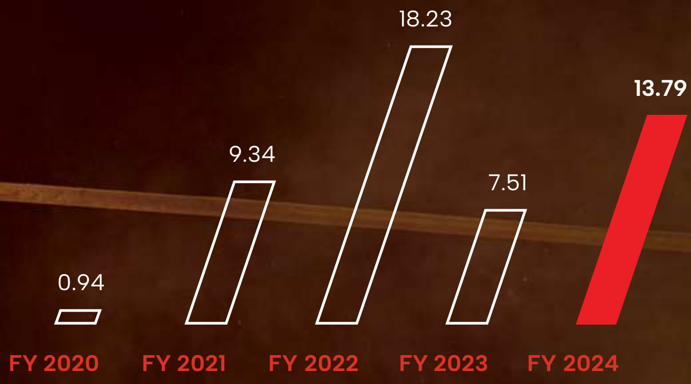


EBITDA
(₹ in Crore)

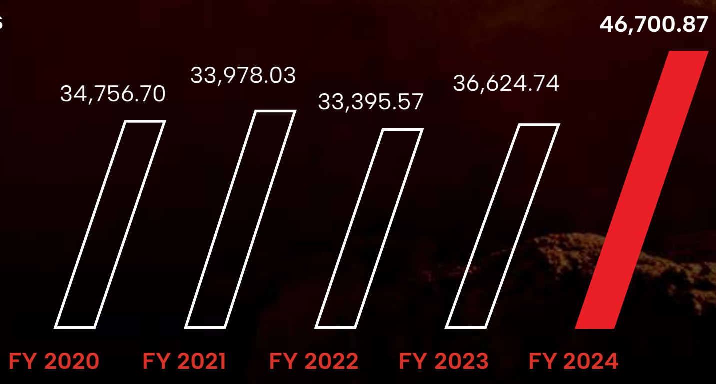


Debt-to-equity Ratio
(₹ in Crore)

ROCE
(%)



Net fixed assets
(₹ in Crore)



RESEARCH AND DEVELOPMENT

At AMNSI, research and development (R&D) is a cornerstone of innovation and progress. The Company's dedicated R&D initiatives are focused on advancing steel manufacturing technologies, enhancing product quality, and promoting sustainable practices. The Company strives for constant improvement through strategic partnerships and state-of-the-art facilities, ensuring that its products meet changing consumer needs and environmental regulations. By investing in R&D, AMNSI remains committed to pioneering solutions that propel both industry advancement and sustainable development.

Areas of Focus

The objective of the R&D programme is to make AMNSI a leading and sustainable steel producer in India. The Company aims to achieve this through focussed applied research in the following areas:

- New and innovative steel product development
- Valorisation of by-products of the steel plant
- Process improvements
- Research on new and local raw materials

Pioneering Achievements in Innovation and Sustainability

Innovative Steel Grades Development

The R&D team has successfully developed 17 new steel grades, including three high-value import substitutes, produced at AMNSI's state-of-the-art plate mill.

Patent for Soft Magnetic Steel

The Company had been awarded a patent for its groundbreaking soft magnetic steel grade, specifically developed for the neutrino observatory.

AI/ML Collaboration with IIT-Gandhinagar

In partnership with IIT-Gandhinagar, AMNSI's R&D team has developed an advanced AI/ML algorithm to predict transverse crack defects during continuous casting.

Sustainability and Process Improvement

AMNSI's commitment to sustainability is reflected in the completion of five process improvement and by-product recycling projects, enhancing both environmental stewardship and operational efficiency.

Through these focussed research initiatives and notable achievements, AMNSI continues to lead in innovation, maintaining its position at the forefront of the steel industry, while promoting sustainable development.

STAKEHOLDER ENGAGEMENT

Investors and Lenders

Value Proposition

AMNSI delivers consistent returns on investments with highly profitable, best-in-class assets. The Company focuses on funding profitable growth, enhancing disclosures, and maintaining transparency and credibility in financial and non-financial reporting.

Engagement Methods

AMNSI engages investors and lenders through annual reports, media updates, earnings calls, investor and analyst meetings, regular group or individual meetings, events and Annual General Meetings.

Key Areas of Focus

The Company targets strong operational and financial performance, aiming for investment-grade financial metrics and highlighting its commitments to environmental, social, and governance (ESG) standards.

AMNSI Takes the Spotlight at ISA Steel Conclave

On October 3, 2023, AMNSI showcased its vision for the future of steel at the ISA Steel Conclave. The Company's exhibition stall attracted a discerning audience and featured innovative contributions to nation-building through cutting-edge products and services. Highlighting involvement in marquee projects, AMNSI emphasised its pivotal role in advancing the steel industry. The event underscored the Company's commitment to driving progress and innovation within the sector, reinforcing its leadership position in shaping the future of steel.

Customers

Value Proposition

AMNSI offers differentiated products, comprehensive services, engineering support, growth partnerships, a nationwide presence, and a reliable supply chain network.

Engagement Methods

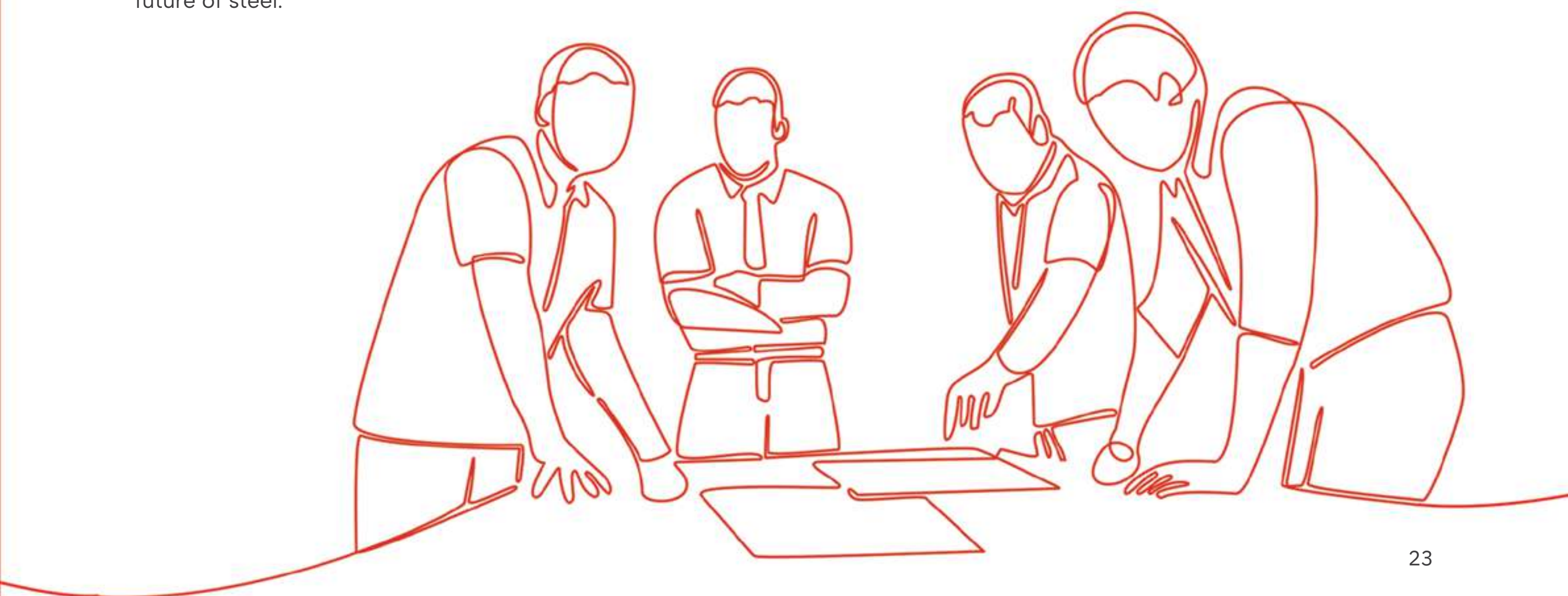
The Company connects with customers, influencers, and channel partners through various physical and digital platforms.

Key Areas of Focus

Focus areas include developing high-end downstream products, leveraging digital tools to enhance customer experience, extending value-added services, and implementing a responsible supply chain policy to ensure sustainable practices.

Customer Meet

AMNSI hosted its Customer Meet, titled Kutumbh. Centred around the theme "Synergise to Energise," the event highlighted AMNSI's dedication to customer-centricity and sustainable partnerships. Kutumbh 2023 served as a dynamic platform for meaningful interactions and collaborative discussions with valued customers.



Government and Regulatory Bodies

Value Proposition

AMNSI ensures compliance and business continuity by creating a favourable business environment through adherence to regulations and proactive engagement with policy frameworks.

Engagement Methods

The Company works with the government to develop policies and regulations that support industrial growth, advocates for policy changes, and interacts with think tanks and experts to understand complex issues and global best practices.

Key Areas of Focus

Priorities include easing business operations, achieving sustainability leadership, and focusing on technology, innovation, demand creation, product portfolio enhancement, and capacity expansion..

AMNSI at the 18th Sustainability Summit

On October 11, 2023, AMNSI participated in the 18th Sustainability Summit held in New Delhi. Organised by the Confederation of Indian Industry (CII) and supported by the Government of India, the summit centred on the theme of "Strengthening Global Partnerships for Sustainable, Equitable, and Inclusive Development." During the event, AMNSI showcased its strategies for achieving net-zero emissions, underlining its commitment to reducing carbon footprints. The summit facilitated collaborative discussions among industry leaders, reinforcing shared commitments to environmental stewardship and economic sustainability.

AMNSI in the Global Maritime India Summit 2023

On October 9, 2023, AMNSI participated as a key partner in the prestigious Global Maritime India Summit 2023 (GMIS) held in Mumbai. Organised by the Ministry of Ports, Shipping & Waterways, the three-day summit was attended by notable figures, including the Honourable Prime Minister, Narendra Modi and Union Minister, Sarbananda Sonowal.

At GMIS 2023, AMNSI showcased its robust maritime network, highlighting its crucial role in strengthening the Company's supply chain through efficient sea routes, ships, and ports. The Company emphasised its commitment to stringent safety and environmental standards, advocating for responsible and sustainable logistical practices. The Summit served as a vital platform for advancing India's maritime economy, fostering partnerships, and encouraging investments. It featured an investor summit, international exhibition, and the Global CEOs' Forum, facilitating discussions among global maritime players, policymakers, and industry leaders. The event also included the Maritime Excellence Achievers' ceremony, recognising contributions to India's development as a key maritime hub. The insights and exchanges at the summit have set a promising path forward, advocating for a more integrated, efficient, and environmentally conscious maritime sector in India.

Employees

Value Proposition

AMNSI prioritises nurturing talent and fostering a diverse, inclusive work environment. The Company is committed to attracting fresh talent and moulding them into future leaders through robust programmes such as the Graduate Engineer Trainee (GET) and On-the-Job Trainee (OJT). Recruitment efforts focus on a diverse range of institutions, ensuring a rich mix of competencies and perspectives. Through strategic programmes like ASPIREX and GENESIS, AMNSI offers tailored career paths designed to groom the workforce for leadership and core operational roles. This approach not only enhances organisational capabilities, but also drives innovation and long-term growth.

Engagement Methods

Employee engagement is at the core of AMNSI's culture. The Company maintains a continuous dialogue with its workforce through various initiatives such as biannual engagement surveys, town halls, and direct interactions with leadership. The "Speak Up" survey ensures that every voice is heard, reflecting a commitment to an inclusive workplace. Recognition platforms like PRAISE and the CEO awards celebrate individual and team achievements, fostering a sense of belonging and motivating employees to align with the Company's values and objectives.

AMNSI prioritises continuous communication through various channels, including Town Halls, Sparsh Connect (interaction with the CEO), time out with HOD, Skip Level Connect, and the Mentor-Mentee programme. Timely policy updates and strategic interactions ensure that all employees are well-informed and empowered.

The Company's commitment to continuous learning is reinforced through the Arcelor Mittal University platform, which offers access to over 40,000 courses in various formats. This platform also provides interactive learning opportunities like live leader camps, webinars, and boot camps, with an AI-enabled content authoring tool enhancing the development and delivery of educational content. Additionally, the "Learning Premier League" initiative gamifies the learning experience, making every day a learning day.

Key Areas of Focus

AMNSI's key focus areas include continuous learning, leadership development, and employee well-being. The Company invests in employee growth by providing cutting-edge learning experiences and leadership training in collaboration with top institutions globally. The LEAD programme is designed to strengthen leadership capabilities, supporting both personal and organisational growth. Programmes like "Next Smarter Moves" and "Development Centres" facilitate both horizontal and vertical growth, aligning career progression with business needs.

Furthermore, the "SAMPARK" initiative offers confidential and sensitive support to employees in their time of need, ensuring that well-being is addressed holistically—covering physical, mental, emotional, and social dimensions. These efforts ensure that employees are well-equipped, motivated, and supported to excel in their roles.

Health Check-Up at Gandhidham Facility, Gujarat

On November 21, 2023, AMNSI organised a health check-up camp at the AMNSI Gandhidham Occupational Health Center in collaboration with the District Tuberculosis Centre, Bhuj. This initiative, aligned with the Aayushman Bhava program by the Government of India, aimed to promote employee well-being and raise health awareness.

This camp provided essential medical services and promoted a culture of health consciousness. Over 210 employees actively participated, benefiting from comprehensive healthcare services.

This initiative not only underscores AMNSI's commitment to employee welfare but also fosters a proactive approach to health and wellness, aligning with the broader goal of creating a healthy and vibrant community at AMNS Gandhidham.

Communities

Value Proposition

AMNSI is committed to enhancing community well-being through regional development models and creating replicable models for sustainable development.

Engagement Methods

The Company employs Proximate Community Development models with programme impacting all life aspects in the operating region and public consultations prior to business expansions.

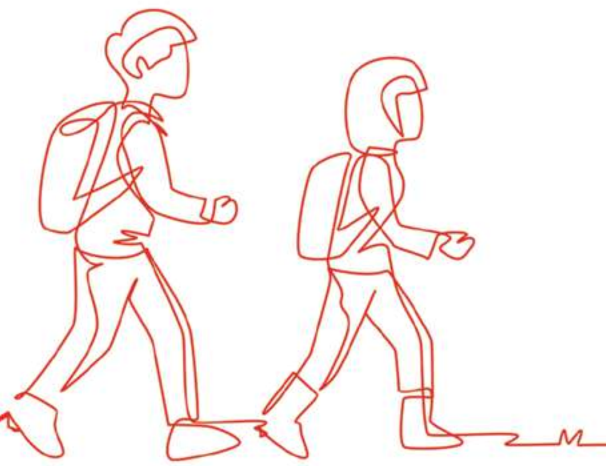
Key Areas of Focus

The Company emphasises site safety to protect community health, sustaining community outreach, supporting public health, nutrition, water conservation, sanitation, education, stable livelihoods, nurturing sports talent, enabling dignified lives for persons with disabilities, and developing public infrastructure and amenities.

AMNSI and Odisha Government Collaborate to Establish Kho Kho High-Performance Centre

On November 8, 2023, AMNSI and the Government of Odisha took a significant step towards promoting Kho Kho talent by signing a memorandum of understanding to establish a high-performance center (HPC) for the sport. The MoU was signed in the presence of Shri Naveen Patnaik, Honourable Chief Minister of Odisha, with the aim of positioning Odisha as a premier hub for Kho Kho excellence in India.

This collaboration highlights a shared commitment to nurturing sports talent and developing world-class facilities in Odisha.



SUSTAINABILITY INITIATIVES

AMNSI's commitment to steelmaking extends beyond the production of high-quality steel. It also ensures that every stage of the process is conducted responsibly and sustainably. The detailed analysis of each phase of the Company's operations, presented below, reflects its commitment to environmental efficiency:

Extraction for minimum environmental impact: At Thakurani and Sagasahi Mines, AMNSI employs efficient mining techniques in strict compliance with environmental regulations to reduce their ecological footprint.

Beneficiation for reduced waste: The Dabuna and Kirandul Beneficiation Facilities expertly remove impurities to maximise iron content while minimising waste production.

Slurry pipelines for low environmental footprint: AMNSI utilises an innovative pipeline network that transports iron ore over long distances through a water and iron ore mixture, which significantly reduces the environmental impact compared to traditional transportation methods.

Pelletisation for enhanced efficiency: The Paradeep and Vizag Pellet Plants use advanced technology to convert iron ore concentrate into durable pellets, optimising resource use.

Maritime voyage for efficient transportation: Iron ore pellets are transported across the Bay of Bengal via cargo ships, ensuring efficient delivery. This approach optimises logistics and reduces the carbon footprint of the transportation process.

Conveyor belt symphony for seamless flow: A network of conveyor belts smoothly transfers iron ore pellets from Hazira port to the steelmaking facility. This system reduces dust emissions and energy consumption, compared to other transport methods.

Molten metal transformation for technological diversification: AMNSI's use of diverse iron production technologies—Blast Furnace, MIDREX, and COREX—ensures the adoption of methods with lower emissions and resource usage. This technological flexibility allows for a more sustainable and adaptable production process.

Refining and Shaping for precision and quality: Electric arc furnaces (EAFs) used for refining molten iron or DRI are more energy-efficient and have lower emissions compared to traditional methods. This contributes to a reduction in the overall environmental impact of steel production.

Rolling and transformation: Hot rolling mills transform steel slabs into various shapes and thicknesses. AMNSI's rolling mills use waste gases as an energy source, enhancing energy efficiency.

Customisation through surface alchemy for meeting diverse needs: AMNSI's use of galvanising and coating processes enhances steel products' durability and corrosion resistance. This reduces the need for frequent replacements and maintenance, leading to longer product lifecycles and less waste.

Delivering value through efficient logistics: The extensive network of railways and commercial vehicles for distributing value-added steel products optimises transportation efficiency. This network reduces overall emissions and improves the sustainability of the distribution process.

Global Sustainability Leader: AMNSI's global reach ensures that their high-quality, sustainable steel solutions are available worldwide. This international approach promotes global sustainability and encourages best practices across the industry.

Implementation of the Zero Liquid Discharge (ZLD) project for the entire Hazira complex

The RO-ZLD plant was commissioned at the Hazira unit in July 2023 with a designed capacity of 500 m³/hr. With this project, the Hazira complex recycles its entire effluent generated through reverse osmosis (RO) units and reuses the treated water in the process and other secondary applications. On November 20, 2023, a major environmental milestone was celebrated with the inauguration of a Zero Liquid Discharge (ZLD) plant at the downstream facility in Sanaswadi, Pune. The event highlighted the plant's role in enhancing sustainability by significantly reducing water consumption and wastewater production, with an impressive recovery rate exceeding 95%. The state-of-the-art system will recycle over 200 cubic meters of wastewater daily, fulfilling 30% of the water requirement and reducing reliance on external sources. This initiative positions the Pune facility as a leader in water conservation and showcases the broader commitment to minimising ecological footprints and contributing to a sustainable future. With the implementation of the ZLD project at Hazira, all sites are now Zero Liquid Discharge compliant.

These processes highlight AMNSI's unwavering commitment to responsible steelmaking throughout every stage of the production process. The Company's efforts to reduce environmental impact, adopt cleaner technologies, and foster a sustainable future underscores its dedication to the steel industry's transformation.

Climate Change and Steel

The steel industry is confronted with a pressing challenge due to climate change. Traditional steel production methods are highly energy-intensive and contribute significantly to greenhouse gas emissions. To tackle this issue, the industry must adopt greener practices and innovative technologies. Transitioning to environmentally-friendly technologies is vital for reducing the industry's overall environmental impact and ensuring its long-term sustainability. Implementing sustainable practices, such as using alternative energy sources and minimising waste, is essential for addressing the global steel demand while mitigating climate change. Key steps include moving towards lower-carbon production methods and investing in renewable energy sources to facilitate cleaner steel production. By prioritising sustainability and embracing innovation, the steel industry can pave the way for a greener future, securing its continued success amidst the challenges posed by climate change.

AMNSI: Pioneering a Path to Lower Emissions in Steel Production

AMNSI is committed to reducing emissions and has set an ambitious target of a 20% decrease in emission intensity by 2030, compared to the 2021 level. This goal reflects the Company's dedication to environmental responsibility and positions it as a leader in the steel industry's fight against climate change. AMNSI's strategy for sustainable success includes:

Investment in cutting-edge technology: Utilising next-generation electric arc furnaces and innovative emission reduction techniques.

Operational efficiency: Optimising processes to reduce energy consumption and emissions.

Renewable energy transition: Shifting to solar and wind power, supported by partnerships with leading renewable energy providers like Greenko.

Recycled scrap steel: Increasing the use of recycled steel to lower the environmental impact associated with raw material extraction.

Green hydrogen integration: Exploring green hydrogen as a sustainable fuel alternative.

Carbon Capture, Utilisation, and Storage (CCUS): Investigating CCUS technology to capture emissions from traditional blast furnace operations.

Looking Ahead: A Collaborative Effort for a Sustainable Future

AMNSI understands that achieving emission reduction requires a collaborative effort. The Company advocates for robust government policies and works with industry partners, research institutions, and policymakers to develop sustainable solutions and build a low-carbon steel production landscape.

Environmental Awareness

AMNSI recognises the critical importance of protecting the environment and the profound impacts caused by environmental pollution. As part of the Company's ongoing commitment to fostering a sustainable future, it actively participates in the celebration of important environmental days such as National Cleanliness Day on January 30, World Water Day on March 22, Earth Day on April 22, World Environment Day on June 5, and World Nature Conservation Day on July 28. By marking these occasions, AMNSI aims to increase awareness across the organisation about pressing environmental issues and encourage proactive measures to mitigate their effects.

AMNSI's approach involves sending out informative circulars and organising a series of events tailored to each occasion. These initiatives are designed to educate employees and stakeholders about the significance of environmental conservation and inspire them to adopt eco-friendly practices. Through these efforts, AMNSI aims to cultivate a culture of environmental responsibility and empower individuals within the organisation to make meaningful contributions towards a cleaner and greener planet.

World Environment Day 2023

World Environment Day 2023 was celebrated across AMNSI with a series of events for employees, residents, school children, and local community members aimed at promoting environmental awareness and sustainable practices under the theme of "Beat Plastic Pollution". The events included a beach clean-up drive, poster and drawing competitions, street plays (nukkad natak), mega tree plantation drives at various locations, garden competitions, waste-to-best competitions, plastic waste collection drives in villages, training and awareness sessions, and quiz competitions. The celebration witnessed the involvement and participation of around 2,500 members, and more than 10,000 trees were collectively planted across the Company.

Through these efforts, AMNSI aims to cultivate a culture of environmental responsibility and empower individuals within the organisation to make meaningful contributions towards a cleaner and greener planet.

A Multi-Faceted Approach to Emission Reduction

AMNSI is taking decisive steps to reduce emissions across several key areas:

Renewable Energy: AMNSI is advancing its commitment to renewable energy through strategic partnerships, such as with Greenko, to accelerate the transition. The Company has set an ambitious target to meet 100% of its grid electricity needs with renewable sources by 2030. A notable project in this regard is the development of a 975 MW hybrid renewable energy facility in Andhra Pradesh, which combines solar and wind power with pumped hydro storage to ensure a dependable clean energy supply.

Embracing Circularity: The Company is focusing on increasing the use of scrap in steel production, with a goal to exceed a 10% scrap mix by 2030. This initiative is supported by a detailed three-phase plan aimed at significantly boosting scrap utilisation.

Operational Efficiency: AMNSI is enhancing its operational efficiency through the integration of best practices and cutting-edge technologies. These efforts are directed at improving overall efficiency and reducing emissions in steel production.

Advancing Decarbonisation Beyond 2030

Looking beyond 2030, AMNSI is exploring and implementing deeper decarbonisation strategies:

Green Hydrogen: The Company is investigating the potential of green hydrogen as a clean fuel alternative. Strategic partnerships are being forged to address challenges related to production and infrastructure for this innovative technology.

Carbon Capture, Utilisation, and Storage (CCUS): AMNSI is actively integrating CCUS technologies to manage emissions from blast furnace operations, contributing to a significant reduction in carbon footprint.

Policy Advocacy and Collaboration: AMNSI is engaged in advocating for supportive policies and collaborating with diverse stakeholders to foster a sustainable steel industry. This collective action is crucial for building a more resilient and eco-friendly sector.

Commitment to Transparency

AMNSI's 2024 Climate Action Report showcases its commitment to transparency and environmental responsibility. The report highlights the Company's progress and dedication to achieving a sustainable future.

Enhancing the Environment and Empowering Communities

AMNSI is also focused on environmental stewardship and community empowerment. Tree-planting initiatives and community engagement efforts are being actively pursued to promote sustainability and enhance local ecosystem health.

Water Stewardship: Leading the Way

AMNSI's Pune facility has inaugurated a Zero Liquid Discharge Plant, a significant step towards reducing water consumption and wastewater production. This initiative reflects the Company's commitment to responsible water management.

Pan-India Environmental Initiatives

At its Pune facility, AMNSI has implemented a range of environmental initiatives, including advanced dust control systems, air quality monitors, and waste reduction measures. Efforts also include reducing paint waste, composting organic waste, and conserving resources such as oil and water. The facility is also embracing green practices through the use of electric vehicles, green space cultivation, and energy efficiency drives.

Learning from Industry Leaders

AMNSI India has hosted an ESG workshop featuring ArcelorMittal's sustainability experts. This workshop has been instrumental in enhancing leadership knowledge and commitment to ESG principles and decarbonisation strategies.

A Commitment to Reforestation

The Company's ambitious tree-planting target of 400,000 trees by 2025, demonstrates its dedication to reforestation and fostering a greener future.

CORPORATE SOCIAL RESPONSIBILITY

AMNSI's commitment to creating positive social impact is as strong as its dedication to producing high quality steel. The Company's Corporate Social Responsibility (CSR) initiatives span across health, education, livelihood, environment, and community development, addressing critical needs and driving sustainable growth in the communities it serves.

Educational Initiatives

Project Padhega Bharat and Project Daksh

Project Padhega Bharat reflects AMNSI's dedication to improving educational outcomes. The Company distributed learning and teaching materials, upgraded facilities, and enhanced the quality of education in nearby schools and Anganwadi centers. The Company's support extended to the "Mo School" initiative providing nutrition support to tribal schools. The Digital Pathashala initiative and Beti Padhao Scholarship further promote educational advancement, impacting 0.48 Million students and educators.

In a significant stride towards fostering digital literacy and economic empowerment, AMNSI inaugurated a state-of-the-art digital skill centre in Thakurani, Barbil, Odisha, on October 16, 2023. The ceremony, graced by Padma Shri Tulasi Munda, a social activist from Odisha, celebrated the centre's role in advancing the Skill India Mission and providing sustainable livelihood opportunities to local youth. Operated in collaboration with the National Skill Development Corporation (NSDC), the centre aims to train 200 students in its inaugural year. The curriculum includes rigorous theoretical and practical modules, industry visits, and comprehensive soft skills training to enhance employability. Under its partnership with NSDC, AMNSI pledges to facilitate job placements for a significant majority of graduates.

International Day of the Girl Child

On the occasion of the "International Day of the Girl Child", AMNSI awarded Beti Padhao scholarships to three deserving girls from Chhattisgarh. These scholarships are designed to remove financial barriers that often hinder the academic ambitions of young women from economically disadvantaged backgrounds. The scholarships cover a broad spectrum of educational pursuits, including classes 9-12, undergraduate studies, technical and medical programmes, preparation for Indian Administrative Services, and national and state-level sports. They are designed to support and empower young women throughout their educational journeys.

Health Initiatives

Project Arogya

Through Project Arogya, AMNSI has significantly contributed to enhancing healthcare access and quality in underserved areas. The Company established health dispensaries, conducted health camps, and provided ambulance services to support local health centers. Its Mobile Medical Unit and community health dispensaries ensured that essential medical services reached even the remotest locations, improving overall community health. These efforts have impacted 0.61 Million people.

World Heart Day 2023

In a dedicated effort to prioritise community well-being, AMNSI partnered with the Government Medical Department in Hazira and Sunshine Global Hospital in Surat for World Heart Day 2023. Held in Junagam Village, the health camp offered vital services such as ECG testing and doctor consultations. Educational sessions on heart disease diagnosis and management were also conducted, aiming to empower attendees with essential health insights.

The event received enthusiastic support from local community leaders and officials, reflecting a collaborative approach to improving health outcomes. With 156 patients benefiting from free medical treatment and medications, the initiative underscored AMNSI's commitment to fostering health awareness and enhancing healthcare accessibility in the region.

Environmental Initiatives

Project Green

Under Project Green, AMNSI is dedicated to promoting environmental sustainability. This initiative has positively affected 0.14 Million people by promoting environmental awareness and implementing green practices.

Positively affected
0.14 Million
people through this initiative

Sports and Culture

Project Udaan

Project Udaan emphasises the promotion of sports and cultural activities within communities.

AMNSI proudly participated in the inaugural Football Climate Cup in Ladakh, an event that brilliantly combined sports and environmental awareness. This landmark occasion highlighted a significant commitment to urgent environmental action, underscoring the synergy between athletic excellence and climate consciousness.

Community Infrastructure

Projects Nirman, Trupti and Ujjwala

AMNSI also prioritises infrastructure development and access to potable water and has benefitted 0.66 Million people.

Project Nirman

- Conducted the Bhumipujan for a mini stadium in Bonai.
- Inaugurated the Lok Vikas Kendra community hall, which will serve as a resource centre for training and exposure.

Benefitted
0.66 Million
people

Project Trupti

- Constructed a 10,000-litre solar overhead tank at Sagasahi Village.
- Renovated and developed a pond at Sagasahi Village.

Project Ujjwala

- Installed and inaugurated a solar-based home lighting system for 90 households.

These efforts ensure that communities have the necessary resources and facilities for a better quality of life.

Livelihood Initiatives

Project SAFAL

Project SAFAL is dedicated to livelihood enhancement and income generation for local communities. Through skill development programmes and capacity-building initiatives, AMNSI empowers individuals to achieve economic independence. The NAMTECH Skill Institute plays a crucial role in these efforts, impacting 0.19 Million people.

Collectively, these CSR initiatives have impacted ~2.5 Million people, reflecting AMNSI's commitment to sustainable development and community welfare. Through these projects, the Company is not only contributing to the economic growth of the region but also fostering a more inclusive and resilient society.

BOARD OF DIRECTORS

Mr. Aditya Mittal
Chairman

Mr. Dilip C. Oommen
Director and CEO

Mr. Prabh Das
Director

Mr. Genuino Christino
Director

Mr. Bradley Lloyd Davey
Director

Mr. Kalyan Ghosh
Alternate Director

Mr. Takahiro Mori
Director

Mr. Ichiro Sato
Director

Mr. Yoshiaki Kusuhara
Director

Mr. Kaneyuki Yamamoto
Director

Mr. Hiroo Ishibashi
Director and Vice President (Technology)

Mr. Keiji Kubota
Alternate Director

RISK MANAGEMENT

Despite the promising opportunities, the steel industry faces several risks that could impact its growth trajectory. Fluctuating raw material prices, particularly iron ore and coal, pose a significant challenge, affecting production costs and profit margins. Additionally, environmental regulations and compliance requirements necessitate substantial investments in eco-friendly technologies, which can strain financial resources. Market volatility, driven by global economic conditions and trade policies, also adds to the sector's uncertainty. Companies must navigate these risks carefully to maintain stability and capitalise on growth prospects.

Market Volatility

Fluctuations in global steel prices and demand can impact profitability.

Technological Disruptions

Keeping pace with rapid technological changes and innovations in steel production.

Regulatory Challenges

Navigating complex regulatory environments and compliance with stringent environmental norms.

Environmental Impact

Managing the environmental footprint and adhering to sustainability targets amidst stringent global standards.

AWARDS AND ACCOLADES

Mahatma Award 2023

AMNSI received the prestigious "Mahatma Award 2023" for CSR Excellence, for its impactful health, education, skill development, environmental conservation, and community welfare initiatives.

Felicitations at CCQC 2023

AMNSI's Odisha Operations team earned multiple honours at the Chapter Convention on Quality Concepts (CCQC) 2023 in Kolkata, securing two Gold Awards and one Bronze Award for their commitment to quality.

Gold at 11th QCFI

The AMNSI Gandhidham team won Gold at the 11th Quality Circle Forum of India's Ankleshwar chapter convention. Their project, "Lean Quality Circle Project – Steam, Power, and Propane Consumption Reduction," earned them the prestigious Gold Trophy.

Distinguished Partner Award from ITE Education Services

NAMTECH, an AMNSI education initiative in Gandhinagar, Gujarat, operating from the IIT Gandhinagar campus, received the "Distinguished Partner" award from ITE Education Services (ITEES), Singapore, at its 20th anniversary event.

Six Gold medals at the 5th Chapter Convention on Quality Concepts (SCCQC-23)

AMNSI achieved a significant milestone by winning six Gold Medals at the 5th Chapter Convention on Quality Concepts (SCCQC-23), hosted by the QCFI Surat Chapter at RNG Patel College in Bardoli, Surat.

Wings of Steel Award by Indian Steel Association (ISA)

Varsha Chinai of AMNSI's Hazira plant in Gujarat has been honoured with the prestigious "Wings of Steel" award in the "Gender and Diversity" category by the Indian Steel Association (ISA) for her contributions to promoting diversity and inclusion.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Aditya Mittal
Chairman

Mr. Prabh Das
Director

Mr. Bradley Lloyd Davey
Director

Mr. Takahiro Mori
Director

Mr. Yoshiaki Kusuhara
Director

Mr. Hiroo Ishibashi
Director & Vice President – Technology

Mr. Dilip C. Oommen
Director & CEO

Mr. Genuino Jose Magalhaes Christino
Director

Mr. Kalyan Ghosh
Alternate Director

Mr. Ichiro Sato
Director

Mr. Kaneyuki Yamamoto
Director

Mr. Keiji Kubota
Alternate Director

CHIEF FINANCIAL OFFICER

Mr. Amit Harlalka

COMPANY SECRETARY

Mr. Pankaj S. Chourasia

REGISTERED OFFICE

"AMNS House", AMNS Township
27th KM Surat Hazira Road, Dist: Surat, Gujarat - 394270
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BANKERS

Axis Bank Ltd.
Credit Agricole Corporate & Investment Bank
HDFC Bank Ltd.
HongKong & Shanghai Banking Corporation Bank
ICICI Bank Ltd.
IDBI Bank Ltd.
IDFC First Bank Ltd.
Indusind Bank Ltd.
Kotak Mahindra Bank Ltd.
Mitsubishi UFG Financial Group Bank Ltd.
Mizuho Bank Ltd.
Punjab National Bank
Standard Chartered Bank
State Bank of India
Sumitomo Mitsui Banking Corporation Bank
Union Bank of India
Yes Bank Ltd.

AUDITORS

SRBC & CO LLP

The Ruby, 12th Floor,
29 Senapati Bapat Marg,
Dadar (West), Mumbai - 400 028

REGISTRAR & SHARE TRANSFER AGENTS

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E-mail: amns@dsrc-cid.in
Visit us at our website http://www.amns.in

NOTICE OF THE 48th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 48th Annual General Meeting of the Members of ArcelorMittal Nippon Steel India Ltd. (CIN: U27100GJ1976FLC013787), will be held via V.C. deemed to be held at AMNS House, AMNS Township, 27th K.M. Surat Hazira Road, Dist Surat, Gujarat 394270 on Monday, September 30, 2024, at 03:30 p.m. to transact, the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt:

    a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Board of Directors and the Auditors thereon.

    b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

2. To appoint a director in place of Mr. Dilip Oommen (DIN: 02285794) who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a director in place of Mr. Ichiro Sato (DIN: 08748844) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mr. Yoshiaki Kusuhara (DIN: 09576452) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

5. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2024.

    To consider and if thought fit, to pass, with or without modification(s) the following resolution as an

Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or amendments thereof, for the time being in force), the remuneration upto Rs. 6,50,000/- (Rupees Six Lakh Fifty Thousand only) plus applicable Tax thereon and reimbursement of out of pocket expenses, if any, payable to M/s Manubhai & Associates, Cost Accountants (Firm Registration M-2502), for conducting Audit of the Cost Accounting Records of the Company for the financial year from April 1, 2024, till March 31, 2025, in terms of the Companies Act, 2013 and Rules framed thereunder, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By the Order of the Board
For ArcelorMittal Nippon Steel India Limited

Pankaj S Chourasia
Company Secretary
Registered Office
AMNS House,
AMNS Township
27 km, Surat Hazira Road,
Dist. Surat, Gujarat – 394270

Place: Mumbai
Date: July 26, 2024

NOTES:

1. MEMBERS ARE HEREBY ADVISED TO ATTEND THE ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCE.

2. MEMBERS ARE REQUESTED TO KINDLY NOTE THAT THEY ARE NOT ENTITLED TO APPOINT ANY PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AS PHYSICAL PRESENCE OF MEMBERS ARE NOT REQUIRED.

3. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS ANNEXED HERETO.

4. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING

5. IN COMPLIANCE WITH THE MCA CIRCULAR, THE NOTICE OF AGM IS BEING SENT ONLY THROUGH ELECTRONIC MODE TO THOSE MEMBERS WHOSE EMAIL ID ADDRESSES ARE REGISTERED WITH THE COMPANY.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

M/s. Manubhai & Associates, Cost Accountants, have been reappointed as the Cost Auditors of the Company to carry out cost audit pertaining to Steel Business of the Company for the year ending March 31, 2024, at a remuneration of Rs. 6,50,000/- plus applicable tax and reimbursement of out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the provisions of Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors requires ratification by the shareholders.

Approval of the members is sought for passing an Ordinary Resolution at item no. 8 for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors, Key Management Personnel of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

By the Order of the Board
For ArcelorMittal Nippon Steel India Limited

Pankaj S Chourasia
Company Secretary

Annexure 1: Profile of Appointee Directors:

1. Mr. Dilip Oommen

Dilip Oommen is the Chief Executive Officer (CEO) of ArcelorMittal Nippon Steel India and a member of the company's Management Committee. With over 36 years of experience in the steel industry, he joined Essar Steel (now AM/NS India) in 2003 as Chief Operating Officer. Over the years, he has held various senior leadership positions, culminating in his appointment as Director and CEO in 2019.

Oommen's international experience includes senior operational roles at Hadeed, a leading steel manufacturer in the Gulf owned by SABIC, one of the world's largest petrochemicals manufacturers. In 2020, he was elected President of the Indian Steel Association, representing major public and private sector steel companies in India. He has also served as Co-Chair of FICCI's Steel Committee, among other industry leadership roles.

He holds a degree in metallurgical engineering from the Indian Institute of Technology, Kharagpur.

Disclosures with respect to appointment of Mr. Dilip Oommen:

Particulars	Details
Date of birth / Age	28.03.1958 / 66 years
Qualification	Metallurgical engineer
Experience	More than 36 years
Terms and conditions of appointment / reappointment	Re-appointment as a Director liable to retire by rotation
Details of remuneration sought to be paid	Nil
Date of appointment on the Board	23.12.2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None
Number of meetings of the Board attended during the year	8
Other Directorships, Membership/ Chairmanship of Committees of other Boards	Director in following companies: ArcelorMittal India Private Limited, AMNS Ports Hazira Limited (formerly Essar Bulk Terminal Limited), AM Green Energy Private Limited, AMNS Ports India Limited (formerly known as Hazira Cargo Terminals Limited), AMNS Ports Paradip Limited (formerly Essar Bulk Terminal Paradip Limited), AMNS Shipping & Logistics Private Limited, AMNS Ports Shared Services Private Limited (formerly Ibrox Aviation & Trading Private Limited) and AMNS Ports Vizag Limited (Formerly Essar Vizag Terminals Limited)

2. Mr. Ichiro Sato

Ichiro Sato is an Executive Officer at Nippon Steel Corporation, where he serves as Vice Head of Global Business Development and Deputy Project Leader for the India Iron and Steel Project.

Joining Nippon Steel in April 1986, Sato held various roles in human resource development between 1997 and 2011. Since 2011, he has managed several divisions, including the General Administration division at Kimitsu Works, the Global Business Support Center, and the Global Business Development division.

Sato became closely involved with the Global Business Development division as an Executive Counsellor in 2017 and was appointed Executive Officer in 2018.

He holds a bachelor's degree in economics from Keio University in Tokyo, Japan.

Disclosures with respect to appointment of Mr. Ichiro Sato:

Particulars	Details
Date of birth / Age	19.02.1964 / 60 years
Qualification	Bachelor's degree in economics
Experience	More than 37 years
Terms and conditions of appointment / reappointment	Re-appointment as a Director liable to retire by rotation
Details of remuneration sought to be paid	Nil
Date of appointment on the Board	11.06.2020
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None
Number of meetings of the Board attended during the year	4
Other Directorships, Membership/Chairmanship of Committees of other Boards	Director in following companies: ArcelorMittal India Private Limited

3. Yoshiaki Kusuhara

Yoshiaki Kusuhara is the General Manager at Nippon Steel Corporation, with extensive experience in managing overseas companies and business operations.

He joined Nippon Steel in April 1993 and served in various managerial roles from 2000 to 2015, including the General Administration Division at Kimitsu Steel Works, the Global Marketing Division in Tokyo, and the Production Scheduling Division at Hirohata Steel Works.

Between 2015 and 2016, Kusuhara was assigned to a subsidiary company in Thailand. Upon returning to Japan, he worked in the Flat Products Global Marketing Division in Tokyo and the General Administration Division at Kimitsu Steel Works as General Manager. In 2022, he was appointed General Manager of the India Iron and Steel Project.

Kusuhara holds a bachelor's degree in economics from Osaka University in Osaka, Japan.

Disclosures with respect to appointment of Mr. Yoshiaki Kusuhara:

Particulars	Details
Date of birth / Age	12.01.1971 / 53 years
Qualification	Bachelor's degree in economics
Experience	More than 31 years
Terms and conditions of appointment / reappointment	Re-appointment as a Director liable to retire by rotation
Details of remuneration sought to be paid	Nil
Date of appointment on the Board	11.06.2020
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None
Number of meetings of the Board attended during the year	6
Other Directorships, Membership/Chairmanship of Committees of other Boards	Director in following companies: ArcelorMittal India Private Limited, Nippon Steel India Private Limited and Utkal Pipeline Infrastructure Limited (formerly Odisha Slurry Pipeline Infrastructure Limited)

Board's Report

To,

The Members of **ArcelorMittal Nippon Steel India Limited**

We are pleased to present the 48th Annual Report of the Company for the financial year ended March 31, 2024. This report includes the Audited Statement of Standalone and Consolidated Accounts, providing an overview of our Company's performance during this period.

AM/NS India is poised for significant growth, supported by a strategic focus on sustainability, technological advancements, and robust government policies. The Company's commitment to reducing its carbon footprint and expanding production capacity aligns with India's broader economic and environmental goals. Despite challenges, AM/NS India's diverse product portfolio, strategic initiatives, and government support position it as a key player in the global steel industry, driving India's growth and contributing to global economic stability.

Furthermore, safety is of paramount importance to AM/NS India. The organization is dedicated to maintaining the highest standards of health and safety across all operations. Rigorous safety protocols, continuous training programs, and a culture of safety-first ensure that the well-being of our employees, contractors, and communities is never compromised. This unwavering commitment to safety not only protects our workforce but also enhances operational efficiency and productivity, reinforcing our reputation as a responsible and reliable leader in the steel industry. By prioritizing safety, we create a secure and supportive work environment that underpins our long-term success and sustainable development goals.

In FY 2023-24, AM/NS India saw a 14% year-over-year increase in overall sales volumes. Domestic sales accounted for 90% of total volumes, emphasizing the Company's focus on the local market. Internationally, 80% of export sales targeted the EU region. The year was marked by numerous initiatives within Sales & Marketing, emphasizing "Safety First" and "Customer Engagement."

During the year, the Board of Directors of ArcelorMittal Nippon Steel India Limited approved the "Scheme of Amalgamation and Arrangement" under the Companies Act, 2013, proposing the merger of AMNS Khopoli Limited into ArcelorMittal Nippon Steel India Limited, with the scheme currently awaiting approval from the National Company Law Tribunals (NCLTs) in Ahmedabad and Mumbai. Similarly, the Board approved the amalgamation of AMNS Gandhidham Limited. Additionally, a "Composite Scheme of Amalgamation and Arrangement" was approved to merge Nand Niketan Services Private Limited, Snow-white Agencies Private Limited, and AMNS Power Hazira Limited into ArcelorMittal Nippon Steel India Limited.

FINANCIAL STATEMENTS & RESULTS:

During the fiscal year, our revenue from operations reached a notable milestone, standing at ₹ 57,434.32 Crores. This achievement is a testament to the robust demand for our steel products and the trust our customers place in our quality and service. Our EBITDA for the current financial year reached ₹ 14,925.00 Crores. The Company's strong cash flows have played a pivotal role in deleveraging our balance sheet. This strategic move not only strengthens our financial position but also positions us for future sustainable growth and expansion. It reflects our commitment to prudent financial management.

As of March 31, 2024, the Company's net worth stood at ₹ 42,388.90 Crores, while it achieved a net profit of ₹ 6,997.23 Crores during the FY 23-24 year. These financial milestones are a testament to our dedication to enhancing both financial and operational performance. They indicate a robust trajectory of growth and progress for our company.

A. FINANCIAL RESULTS

(₹ in Crore)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Gross Income	58,217.23	54,434.20	60,282.78	56,931.58
Expenses	43,292.23	45,930.21	44,370.41	47,667.15
Profit before Finance Costs, Exchange Variation and Derivative Gain/Losses, Depreciation /Amortisation, Exceptional Items and Tax	14,925.00	8,503.99	15,912.37	9,264.43
Less: Finance Cost	3,086.75	3,673.31	3,054.08	3,634.53
Less: Depreciation / Amortization	2,379.79	2,462.70	2,876.05	2,571.88
Profit before Exceptional Items and Taxation	9,458.46	2,367.98	9,982.24	3,058.02
Exceptional items Expenses /(Income)	-	652.41	-	652.41
Profit before Taxation	9,458.46	1,715.57	9,982.24	2,405.61
Tax Expense/ (Benefit)	2,461.23	(471.38)	2,653.90	(295.25)
Profit after taxation before Other Comprehensive Income (OCI)	**6,997.23**	**2,186.95**	**7,328.34**	**2,700.86**

(₹ in Crore)

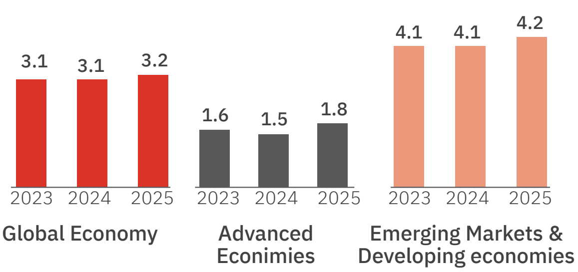
Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Share of Profit / (Loss) from Associates	-	-	(3.81)	(0.27)
Profit for the year	**6,997.23**	**2,186.95**	**7,324.53**	**2,700.59**
Other Comprehensive Income (OCI)	(4,306.83)	(3,892.80)	(4,292.62)	(3,763.07)
Total Comprehensive Income/(Loss)	**2,690.40**	**(1,705.85)**	**3,031.91**	**(1,062.48)**
Retained Earnings: Balance brought forward from the previous year	**(6,372.71)**	**(8,558.80)**	**(4,852.45)**	**(7,605.67)**
Add: Profit for the year	6,997.23	2,186.95	7,324.53	2,700.59
Less: Non-Controlling Interest	-	-	(1.00)	(2.55)
Add: Other Comprehensive Income / (Loss) recognised in Retained Earnings	(17.32)	(7.06)	(17.45)	(5.63)
Add: Transfer to Retained Earnings from OCI(Derognition of Fair Value through OCI- Equity Instrument)	(7.57)	6.20	(7.57)	69.16
Transfer to Tonnage Tax Reserve	-	-	(5.02)	(6.63)
Less: Loss on acquisition of Non Controlling Interest	-	-	-	(1.72)
Retained Earnings: Balance to be carried forward	**599.63**	**(6,372.71)**	**2,441.03**	**(4,852.45)**

B. OUTLOOK

Global Economy

The global economy in 2024 is set to experience stable GDP growth, marginally higher than previous forecasts, supported by improvements in the global Manufacturing PMI and continued disinflation. However, rising geopolitical risks, including ongoing tensions from Russia's invasion of Ukraine, pose significant challenges. The IMF's World Economic Outlook in April 2024 revised growth estimates for 2023 to 3.2%, slightly up from earlier predictions, and maintained this rate for 2024. This resilience is driven by increased government spending and expected declines in inflation. Despite high inflation and tightening credit conditions, the world economy is on a trajectory for a soft landing, with developing economies expected to outperform their advanced counterparts.

Growth Projections



Going forward the global inflation is forecasted to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies.

Indian Economy

The Indian economy continues its robust growth trajectory, driven by the industrial sector and strong capital formation. Public investment in infrastructure has surged, with central government capital expenditure rising by 36.5% during April-February 2024, and this momentum is expected to continue. Private sector investments are also set to pick up, supported by healthy corporate balance sheets and initiatives like the Production-Linked Incentive (PLI) scheme. The outlook for both public and private housing remains strong, and consumer confidence is buoyed by moderating inflation and expectations of a favorable monsoon. The World Bank projects India's GDP growth at 6.6% for FY25, while the IMF forecasts 6.8% for CY24 and 6.5% for CY25, reflecting a positive economic outlook amid rising geopolitical risks.

As per IMF, India is predicted to become the fourth-largest economy overtaking Japan by 2025 (FY26 for India) and third-largest economy by 2027 (FY28), overtaking Germany.

Global Steel Sector

After two years of negative growth and severe market volatility, the global steel sector has shown signs of recovery, with demand expected to grow in 2024 and 2025. Global finished steel demand reached ~1,763 Million metric tons (MT) in 2023. Crude steel production remained mostly stable at 1,892 MT in 2023. World steel forecasts that in 2024 demand will see a 1.7% rebound to reach 1,793 Mt. Steel demand is forecast to grow by 1.2% in 2025 to reach 1,815 Mt

Despite the challenges posed by monetary tightening, high costs, and geopolitical uncertainties, investment in manufacturing facilities and public infrastructure continues to drive demand. The transition to a green economy is also a significant factor, with steel demand for wind energy installations projected to triple by 2030. While China's steel demand in 2024 is expected to remain flat due to declining real estate investments, the rest of the world is projected to see a robust growth in steel demand, particularly in regions like MENA and ASEAN. Developed economies are also poised for recovery, with the EU expected to rebound significantly by 2025.

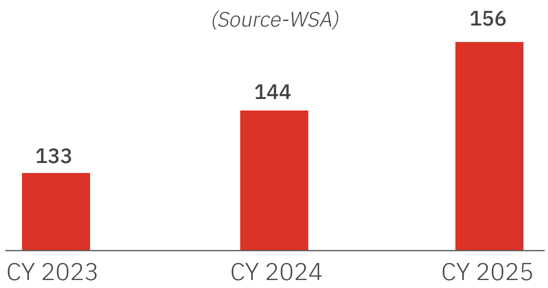
Indian Steel Sector

The Indian steel industry showcased remarkable resilience and growth in FY24. With a substantial ~14% year- on-year increase in steel demand, reaching ~136 Million metric tons, driven by increased demand from the automotive and infrastructure sectors. Alongside robust demand, domestic crude steel production also saw a 13% YoY rise, reaching ~144 Million metric tons

India has emerged as a key driver of global steel demand growth since 2021, with WSA projections indicating an 8% increase in demand over 2024 and 2025. This growth is fueled by strong infrastructure investments and resilient performance across all steel-using sectors. In 2025, India's steel demand is expected to be nearly 70 Million tonnes higher than in 2020. The Indian government's focus on investment-led growth continues to support this trend, with significant infrastructure projects in the pipeline. The forecast of the robust 8% annual growth in steel demand is underpinned by strong construction activity and a positive economic outlook. The sector remains optimistic, despite global uncertainties, due to solid domestic demand and strategic government initiatives.

Total Indian Steel Demand (MTPA)

(Source-WSA)



Sales & Marketing

Global economy continues with its recovery from the pandemic, the geopolitical conflicts, and the cost-of-living crisis. The recovery is surprisingly resilient. Inflation is falling at a faster rate than expected from the peak of 2022. The toll on employment and activity was much smaller than expected, reflecting favorable supply side developments and tightening by central banks. However, high interest rates aimed at fighting inflation and a withdrawal of fiscal support continue to impact the overall growth. Despite many gloomy predictions, the world avoided a recession. The banking system proved largely resilient and many emerging market economies did not suffer sudden stops. Most indicators point to a soft landing for the global economy.

Indian economy continues remain robust and resilient amid evolving global dynamics. GDP in FY 2023-24 grew at 8.2% on the back of significant manufacturing growth. Most economists believe the growth momentum is likely to continue going forward. India remains one of the fastest growing economies of the world. The Reserve Bank of India has projected the GDP growth in FY 2024-25 to be at 7.2% on prospects of improving rural and urban demand conditions buoyed by monsoon forecast.

The steel market across geographies since the covid crisis in 2020, remained volatile, and the overall demand witnessed 2 years of negative growth. With the world economy anticipated to experience a soft landing from monetary tightening cycle, the market volatility in the steel market is expected to remain high amid geopolitical uncertainties and impact of monetary tightening.

In China, with respect to the steel demand the continued demand decline in the real estate investments is offset by an increase in steel demand coming from infrastructure investments and manufacturing sectors. The demand remained positive in the initial part of CY23, however it started dissipating from March onwards. The demand push in Q1 CY 23 was a knee jerk reaction to lifting of covid restrictions in end 2022, which led to the release of pent-up demand. However, amid the poor performance of the real estate sector the demand growth could not keep pace with production growth. The sectors like Auto, Manufacturing, ship building & Energy transition did well. Overall, the steel demand in CY 23 is estimated to have dropped by 3.3% yoy (Source : Short Range Outlook – SRO April 24). Almost all steel-using sectors have shown signs of weakness since the second quarter. Key real estate indicators like land sales, housing sales and new construction continued to fall in CY 23. The weakness in real estate is expected to continue for some time. However, amid governments efforts to boost construction, the growth momentum of infrastructure investment continued in CY 23. Amid weak domestic demand and higher production, the excess steel made its way to the international markets. Steel exports from China increased significantly during the year. The increased exports led to increased availability of steel in the international market leading to price volatility. Going forward the government will have to continue introduce stimulus measures to support growth, overall steel demand is likely to remain at stable levels.

India emerged as the strongest driver of steel demand across the globe. The growth in steel demand is driven by the continued growth in all steel consuming sectors, and primarily driven by the strong growth in infrastructure investments. The upward trajectory in steel demand bodes well for the Indian economy. The steel industry plays an important role in the economic growth of the country and contributes significantly to employment generation and GDP expansion. Ancillary industries such as mining, transportation and machinery manufacturing also get a boost by a thriving steel sector. Indian steel Industry grew by 14% in FY 2023-24 (Source: JPC) driven primarily by the heightened demand from the Automotive & Infrastructure segments. In Automotive, demand improved on the back of improved availability of semiconductors and pent-up demand. Improvement in rural sentiments also boosted the industry sales. Demand for rural areas, which accounts for 30-35% of the Passenger Vehicle sales, reflects improved income levels and better infrastructure development which has happened across the country in terms of connectivity. The infrastructure and construction sectors demonstrated strength, supported by investments largely supported by government funded development projects. Reversing the multi-year trend, India turned Net importer of Steel for FY 24 (Source: JPC). Imports increased by 38% yoy to 8.3 Million tons (MnT) whereas the growth in exports was lesser than expected at 12% to 7.5 Mnt. Indian steel exports remained depressed primarily because of weak international market conditions and stiffer competition from cheaper exports from some countries. Overall, Imports exceeded exports by close to 1 Million tons. Higher steel demand ensured part of the domestic requirements are met through imports. However, the increased import at lower prices remains a threat and warning signal as the country strives to achieve self-reliance and ensure robust GDP growth.

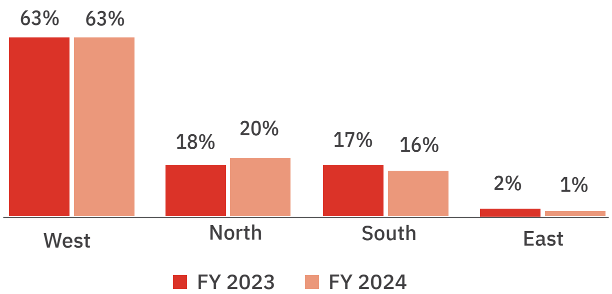
Going forward, the India's steel demand will continue to maintain its growth trajectory driven primarily by investments in infrastructure and real estate and the focus of the government to turn India into a global production hub. Steel demand in Indi will be benefitted by strong economic growth and strong momentum in infrastructure spending.

Company Performance:

In FY 2023-24, overall sales volumes for AM/NS India grew by 14% yoy. Sales in Domestic market accounted for 90% of the volumes and it continues to remain the primary geography focus for the Company.

In Domestic market, the regional distribution of AM/NS sales was spread across the country with the focus of revenue maximization.

Domestic Market-Regional Distribution



In the International market, the sales volumes for AM/NS were primarily targeted to EU region (80% of the Export sales).

FY 2023-24 can also be termed as a year of initiatives. Initiatives within the Sales & Marketing were launched with the primary objective of "Safety first" & "Customer Engagement".

Some of the initiatives undertaken during FY 2023-24 include:

a) Safety remains the primary focus of all our sales operations. Under the "Safety always First" initiative, various initiatives were launched during the year like for example, periodic audit to identify safety risks and mitigation plans, launch of AI software at Pune service Centre etc.

b) Under the Product Focus initiative, a Go to Market strategy was implemented with specific focus on distribution of Coated Products.

c) Segment focus initiatives were undertaken to increase the share of business with the customers targeted within that segment.

d) Focus initiatives targeted towards bringing value to the Company as it prepares for the next line of growth with the launch of new products and services.

e) **Digitalization 2024:**

AM/NS India continued to prioritize various digitalization initiatives to empower the sales team and enhance customer experience at multiple connect points and improve productivity. Various projects launched and executed during the year include:

- Empowering the customers with "Customer Portal" wherein the customer has access to all the information its orders placed, dispatches, claims if any etc.
- Other digital initiatives include the launch of SAP HANA, CRM tools etc to elevate stakeholders' experience of ease of doing business.
- The Company also has its presence in e-sales/ web sales wherein the customer can login and place orders. FY 24 saw an increase in overall acceptance & traffic under this initiative.

f) **Branding & Customer engagement**

The Company through its Branding and customer engagement initiatives were able to increase the brand presence and connect with the last mile customer. Some of the initiatives include:

- Targeted campaigns & marketing initiatives to increase the brand awareness & visibility:
- Increasing the digital presence through social media campaigns/ Whatsapp for business/ web site upgradation/ call centre etc.
- Increasing customer engagements by having Customer/Channel partner meets (Kutumb & MHM meets), participating in Exhibitions/ Trade conclave etc.
- AM/NS India launched its steel slag aggregate brand, AM/NS Aakar at the Sthapatya Exhibition 2023.

The Management Discussion and Analysis Report is available in Annexure VI providing detailed information on the year round sustainability performance and prospects in the same segment.

FINANCE

Demand from various sectors is set to propel the steel industry forward. For instance, government initiatives like the Smart Cities project, Affordable Housing, and industrial corridors are designed to stimulate the steel market. Approximately 158 Million metric tonnes (MT) of steel are expected to be used in building houses under the Pradhan Mantri Awas Yojana (Urban). According to IBEF, currently the infrastructure sector accounts for 9% of steel consumption and is expected to increase to 11% by 2025-26.The consumption of steel in India's infrastructure sector is projected to rise by 11% by FY26. In FY23, India's consumption of finished steel reached

119.17 MT, and by November of FY24, it was 13686.97 MT. To meet a target steel capacity of 300 MTPA by 2030, India needs an investment of US$ 156.08 billion by 2030-31. In April 2023, the Ministry of Steel facilitated 57 Memorandums of Understanding (MoUs) with 27 companies under the Production-Linked Incentive (PLI) scheme for specialty steel. This is anticipated to attract about ₹ 30,000 crore (US$ 3.64 billion) in investments, adding an estimated 25 MT of specialty steel capacity over the next five years.

By 2029, our Hazira steel plant will hold the distinction of being the world's largest single-location integrated steel plant, with a remarkable annual capacity of 24 Million tonnes. This expansion was announced by Shri Lakshmi Mittal, the Executive Chairman of ArcelorMittal Nippon Steel, at the Vibrant Gujarat Global Summit 2024. This significant development is a major step forward for both Surat and the broader Indian steel industry." Addressing the audience at Vibrant Gujarat, Mr. Mittal stated:

"Today, on the occasion of Vibrant Gujarat 2024, we have signed MoUs for the project's second phase. Upon completion in 2029, the Hazira site will transform into a global behemoth, the world's largest single-location integrated steel plant. With the unwavering support of the Gujarat government, we are confident of achieving this ambitious feat within five years."

We continue to monitor our revenues and costs meticulously. Our company's financial health is strongly supported by robust margins. These healthy margins are a testament to our operational efficiency and strategic pricing strategies, allowing us to deliver high-quality products while maintaining competitive pricing. This financial stability is crucial as it provides us the flexibility to navigate market fluctuations and invest in opportunities that align with our long-term objectives.

The Company has devised a bold strategy to increase its production capacity from 8.6 Million tons per annum (MTPA) to 40 MTPA by 2035. This expansion is in response to the rising demand for steel in India and aims to substantially boost revenue.

AMNS continues to invest strategically. AMNS has successfully acquired AMNS Ports Vizag Limited (formerly Essar Vizag Terminals Limited) during FY 23-24. Adding the Visakhapatnam Port terminal to our portfolio emphasizes our dedication to excellence and uniquely positions us in the market as we aim to solidify our status as a top steel manufacturer in the nation. The terminal's ability to handle super 13 capsize vessels and its direct rail connections to major mining locations will enhance our manufacturing and logistics network. Furthermore, connecting this terminal with our iron ore pellet plant in Vizag via a fully mechanized conveyor system will optimize our operations and ensure consistent connectivity throughout our facilities in western, eastern, and southern India. This integration sets the stage for further growth and expansion. Our initiatives to expand steel production capacities in Hazira and the new site in Odisha highlight the strategic value of this acquisition and are crucial to achieving our ambitious objectives.

The Company successfully arranged a USD 5 billion line of credit for its expansion at Hazira Location for upstream project. This arrangement ensures access to funds at competitive rates, resulting in substantial financial cost savings. The credit line will enable the Company to meet its Capex funds requirements efficiently. AMNS continues to invest strategically. AMNS has successfully acquired AMNS Ports Vizag Limited (formerly Essar Vizag Terminals Limited) during FY 23-24. Adding the Visakhapatnam Port terminal to our portfolio emphasizes our dedication to excellence and uniquely positions us in the market as we aim to solidify our status as a top steel manufacturer in the nation. The terminal's ability to handle super capesize vessels and its direct rail connections to major mining locations will enhance our manufacturing and logistics network. Furthermore, connecting this terminal with our iron ore pellet plant in Vizag via a fully mechanized conveyor system will optimize our operations and ensure consistent connectivity throughout our facilities in western, eastern, and southern India. This integration sets the stage for further growth and expansion. Our initiatives to expand steel production capacities in Hazira and the new site in Odisha highlight the strategic value of this acquisition and are crucial to achieving our ambitious objectives.

Through our partnership with our parent company, Arcelor Mittal, we are utilizing their state-of-the-art technologies to foster growth and produce sustainable steel. This collaboration grants us access to pioneering advancements in steel manufacturing, allowing us to improve our operational efficiency, lessen our environmental impact, and elevate product quality. By tapping into Arcelor Mittal's expertise and resources, we are dedicated to providing sustainable steel solutions that address the changing needs of our customers and reduce our environmental footprint.

Our company is actively embracing automation as part of our strategic initiative to enhance productivity and achieve cost savings. By integrating advanced automation technologies into our production processes, we are streamlining operations and minimizing the reliance on manual labor. Furthermore, automation enables us to optimize resource use which contributes to lower operational costs. The efficiencies gained through these technological advancements allow us to pass on cost savings to our customers while maintaining competitive margins. On the back of successful implementation of S4 Hana ERP system, the finance team has embarked on a large-scale treasury digitization project encompassing cross-border trade, cash and market risk management. We are confident that this strategic initiative will lead to cost optimization and enhance fund visibility. As we continue to invest in automation, we anticipate a sustained improvement in productivity.

C) REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The report on financial performance of subsidiaries, associates and Joint Venture companies pursuant to Section 129 (3) read with Rule 5 of Companies (Accounts) Rules, 2014 is attached herewith as Annexure – I.

D) DIVIDEND:

No dividend recommended for the financial year March 31, 2024, as the Company proposes to plough back profits to meet capex expansion and long-term working capital requirement.

E) TRANSFER TO RESERVES:

No amount is recommended for transfer to reserves during the year under review.

F) REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

G) DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

H) DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, further to the disclosure made in the financial statements, there are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

I) PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

The transactions/contracts/arrangements entered by the Company with related party(ies) during the period under review, are in the ordinary course of business and at arms' length. Therefore, such transactions do not come within the purview of the provisions of Section 188 of the Companies Act, 2013 ("Act"). To systematically deal with and ensure proper compliance of 188 of the Act, the Company has formulated a detailed Related Party Transactions Policy containing identification of related parties, identification of related party transactions, creation of monitoring team, roles and responsibilities of executives, approval matrix, approval process, documentation for arm's length justification, methods to be used for arm's length pricing, audit process etc.

Pursuant to the Composite Scheme of Arrangement, the Company will be converted into a private limited company consequently, provision of section 177 concerning audit committee will not be applicable. The Company is taking necessary steps under the Companies Act, 2013 to give effect in this regard.

Company's major related party transactions are generally with its subsidiaries and associates. All related party transactions entered into are based on considerations of various business exigencies, such as synergy in operations, industry specialization and the Company's long-term strategy for investments, optimization of market share, profitability, contractual obligations of lenders, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on an arms' length basis and are intended to supplement interest of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 44 of Standalone Financial Statements, forming part of the Annual Report. Further, refer Annexure II for details of contracts and arrangements.

J) PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Particulars of loans and guarantees of the Company have been provided in the Financial Statements and can be referred in the Note No. 56 of the Notes to Financial Statement for the year ended March 31, 2024. The particulars of investment made by the Company pursuant to the provision of section 186 of the Companies Act, 2013 can be referred in the Note No. 6 of the Notes to Financial Statement for the year ended March 31, 2024.

K) SHARE CAPITAL:

As part of the composite scheme of arrangement, the authorised share capital of the Company was increased to ₹ 80,000,00,00,000 following the amalgamation of ArcelorMittal India Private Limited (AMIPL) with the Company, effective from September 12, 2023. According to this scheme, 2,504,13,06,142 fully paid-up equity shares of ₹ 10 each were issued and allotted to Oakey Holding B.V. (as the shareholder of AMIPL) as consideration for the amalgamation. Consequently, the paid-up share capital was increased from 1,195,19,99,994 fully paid-up equity shares of ₹ 10 each to 2,504,13,06,142 fully paid-up equity shares of ₹ 10 each.

However, ArcelorMittal India Private Limited (AMIPL) is still an active Company in the records of the Registrar of Companies as the Scheme will become effective, the Scheme Entities will undertake the necessary procedural actions to implement the various steps of the Scheme, following which AMIPL shall stand dissolved without winding up.

The Authorised Share Capital of the Company is still showing as ₹ 30,000,00,00,000 Crores. It will be ₹ 80,000,00,00,000 Crores once the Scheme is fully implemented.

L) STATUS OF CONVERSION OF COMPANY (PUBLIC TO PRIVATE):

The Company is under the process of Conversion from Public to Private as part of Composite Scheme of Arrangement approved by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench vide their Order dated March 15, 2023.

M) GENERAL:

There has been no change in the nature of business of the Company.

Further, no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year ended under review:

1. Details relating to deposits covered under chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to the employees of the Company under any scheme.
4. Issue of equity shares under Employees Stock option Scheme.
5. Non exercising voting rights in respect of shares purchase directly by employees under scheme pursuant to section 67(3) of the Companies Act, 2013.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review and up to the date of this Board Report, several changes were made to the Board's composition.

During this period, Mr. Tomomitsu Inada (DIN: 09649119) resigned from his role as Whole Time Director (Vice President – Technology) of the Company, effective April 19, 2024. In the same meeting on April 19, 2024, the Board recommended and appointed Mr. Hiroo Ishibashi (DIN: 10581262) as an Additional Director to replace Mr. Inada. Subsequently, Mr. Hiroshi Ebina (DIN: 08224876) resigned from his position as a Director of the Company, effective May 31, 2024.

The Company expresses its deep gratitude for the services and contributions of Mr. Tomomitsu Inada and Mr. Hiroshi Ebina during their tenure as Directors.

Pursuant to the provisions of Section 161(1), the appointment of Mr. Hiroo Ishibashi (DIN: 10581262) as an Additional Director will be regularized and he will be appointed as a Director at the forthcoming Annual General Meeting on September 30, 2024. The Board believes that Mr. Ishibashi's continuation aligns with the requirements of the Companies Act, 2013 and serves the Company's best interests. Therefore, the Board recommends the appointment of Mr. Hiroo Ishibashi (DIN: 10581262) as a Director of the Company.

In accordance with Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Dilip Oommen (DIN: 02285794), Mr. Ichiro Sato (DIN: 08748844), and Mr. Yoshiaki Kusuhara (DIN: 09576452) will retire by rotation at the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment.

During the year under review, following are the details of Key Managerial Personnel:

Name	Designation
Mr. Dilip Oommen	Wholetime Director and Chief Executive Officer
Mr. Amit Harlalka	Chief Financial Officer
Mr. Tomomitsu Inada	Wholetime Director and Vice President Technology until April 19, 2024
Mr. Hiroo Ishibashi	Wholetime Director and Vice President Technology with effect from April 19, 2024
Mr. Pankaj Chourasia	Company Secretary

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

In accordance with the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company is not required to appoint any Independent Directors.

c. PAYMENT OF COMMISSION TO MANAGERIAL PERSONNEL

The Company has not paid any Commission to Managerial Personnel during the financial period under review.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Disclosure in relation to Section 134 (3) (p) of Companies Act, 2013 read with Rule 4 of Companies (Accounts) Rules, 2014.

a. BOARD MEETINGS

During the year under review, the Board of Directors met Nine (9) times as under:

Name of the Director	04.04.2023	20.07.2023	12.09.2023	25.09.2023	11.10.2023	03.11.2023	12.12.2023	15.12.2023	19.02.2024
Mr Aditya Mittal	N	Y	N	N	Y	N	Y	N	N
Mr.Bradley Davey		Y	N		Y		Y		
Mr.Prabh Das	Y	Y	N	N	Y	Y	Y	N	Y
Mr. Takahiro Mori	N	Y	Y	N	Y	N	Y	N	N
Mr. Ichiro Sato	N	Y	Y		Y		Y		
Mr.Dilip Oommen	Y	Y	Y	N	Y	Y	Y	Y	Y

Name of the Director	04.04.2023	20.07.2023	12.09.2023	25.09.2023	11.10.2023	03.11.2023	12.12.2023	15.12.2023	19.02.2024
Mr. Kalyan Ghosh(Alternate Director)			Y*	Y*		Y*		Y*	Y*
Mr.Hiroshi Ebina (Alternate Director)		Y	Y	Y	Y	Y	Y	N	N
Mr.Hendrik Jacobus Verster	Y								
Mr.Yoshiaki Kusuhara	Y	Y	Y	Y	Y	N	Y	N	N
Mr. Tomomitsu Inada	Y	Y	Y	N	Y	N	Y	Y*	Y
Ms.Marina Soares	N								
Mr Christino Genuino		Y	Y	N	Y	N	Y	N	N
Mr Keiji Kubota			Y*	Y*		Y*		Y*	Y*

** Attended by Respective Alernate Director*
Y- Yes, N- No

b. **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March 2024, the Board of Directors hereby confirms that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures.

b. such accounting policies have been selected and applied consistently and the Directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit/loss of the Company for that year;

c. proper and sufficient care was 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. In addition to above the Company has used accounting software which has a feature of recording audit trail facility and the same has operated throughout the year. However, audit trail feature is not enabled for direct changes to database by certain users.

d. the annual accounts of the Company have been prepared on a going concern basis.

e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. **ANNUAL EVALUATION OF DIRECTORS, COMMITTEES AND BOARD (PURSUANT TO SECTION 134(3)(p).**

The Board has undertaken the Annual Evaluation of its own performance as well as the working of the Committees of the Board, Non-executive Directors and Executive Directors during the year under review.

d. **RISK MANAGEMENT**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines for monitoring the various Business Risks to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and to define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigation plans are considered in the annual/strategic business plans and in periodic management reviews.

e. **CORPORATE SOCIAL RESPONSIBILITY POLICY**

CSR initiatives of the Company and activities are aligned to the requirements of Section 135 of the Act. The Company has undertaken CSR activities as part of its social responsibility and also under MoEF conditions. These activities are generally for the upliftment and benefit of persons residing in and around the vicinities where company carries its operations.

During the year no amount (March 31, 2023 ₹ Nil) is required to be spent in relation to Corporate Social Responsibility ('CSR') as per the applicable provisions of Companies Act, 2013. However, CSR expenses has been incurred on voluntary basis by the Company."

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure III of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee. The CSR Policy of the Company is available on the Company's websitehttps://www.amns.in/about_us/Policies/ .

f. INDIAN ACCOUNTING STANDARDS (IND AS)

The financial Statements of the Company has been prepared as per applicable Indian Accounting Standards (IND-AS).

g. INTERNAL CONTROL SYSTEMS:

i. INTERNAL AUDIT:

As required under Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Audit is carried out by an in house qualified and experienced team led by Chief Internal Auditor. The in-house team is assisted by outsourced audit resources as per the requirements. The internal audit function is independent of the Executive Management. The Chief Internal Auditor reports functionally to the Chairman of Assurance Review Committee of the Board and administratively to the MD & CEO of the Company.

Internal audit reviews the internal controls, propriety aspects and compliances of all the key business processes across functions and locations of the Company. The scope, functioning, methodology and risk based annual audit plan for conducting the internal audit was formulated in consultation with the Management Committee and is approved by the Assurance Review Committee of the Board of Directors. The key findings from the internal audit and progress on action taken by the Management are presented to the Management Committee and Assurance Review Committee. The audit plan and coverage is commensurate with the size and operation of the Company.

ii. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company has formulated "Whistle-blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The Directors, employees of the Company or other allied parties have the right/option to report their concern/grievance on the 'Ethicsline' a whistle blower mechanism set up by the Company which is run by an independent 3rd party service provider. The concerns pertaining to noted unethical behaviour can be raised on the web interface https://amnsindia.integritymatters.in/cases/case_instructions?locale=en. The additional reporting channels are available on the above link. The complaints can also be raised to CEO or any senior management personnel.

No material fraud by the Company or on the Company has been noticed or reported during the year.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. For the purpose of investigating the whistle-blower complaints, the Company has set up an in- house investigation team under Chief Internal Auditor to investigate the complaints independently. The Company also follows a strict policy for non-retaliation and ensures the confidentiality of the whistle-blowers at all times.

The Vigil Mechanism Policy of the Company is available on the website of the Company – https://www.amns.in/policies

iii. INTERNAL CONTROLS:

The Company has adequate system of internal controls commensurate with the size of the Company and complexity of the business. The internal controls are achieved through the following key aspects:

- Preparation of Annual Business Plan and robust monitoring of the same at the Managing Committee and Board level.

- Implementation of Delegation of Authority for approvals of various business transactions based on financial impacts.
- Mapping of all the key business processes in SAP having in built controls through release strategy and workflows in all the key financial transactions, procurement of goods & services and sales & Internal Financial Controls with underlying SOPs across the functions which are tested by the Internal Controls/SOX team, Internal Audit team and the Statutory auditors.
- Internal audit of all the functions is undertaken by an independent inhouse internal audit team and the significant observations are reported to the Managing Committee and the Assurance Review Committee of the Board.
- Establishment of corporate governance policies in respect of code of conduct, conflict of interest, anti- bribery & corruption, competition compliance, whistleblower policy, etc.

h. **DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014 - PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES –**

Having regard to the provisions of the proviso to Sub-rule 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours, any member interested in obtaining such information may write to the Company Secretary, and the same will be furnished on request.

i. **PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES**

None of the managerial personnel i.e., CEO and Whole-time Directors of the Company are in receipt of any remuneration / commission from the Holding or Subsidiary Company of the Company.

4. AUDITORS AND THEIR REPORTS

The matters related to Auditors and their Reports are as under:

A. STATUTORY AUDITORS – ACCOUNTS

I. Auditors and their Reports

i. Standalone Financial Statement:

There was no qualification by the auditors on the financial statement of the Company.

ii. Consolidated Financial Statement:

There was no qualification by the auditors on the financial statement of the Company.

B. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2024

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary, accordingly Ashish Garg Company Secretaries LLP were appointed to issue Secretarial Audit Report for the financial year 2023-2024.

Secretarial Audit Report issued by Ashish Garg Secretaries LLP, Company Secretaries, in prescribed Form MR-3 for the financial year 2023-2024 forms part to this report Refer Annexure-IV. The said report does not contain any observation or qualification requiring explanation or comments from the Board.

C. STATUTORY AUDITORS:

M/s. S R B C & CO LLP, (Firm Registration Number 324982E/E300003), Chartered Accountants, has been appointed in place of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration Number 302009E) as Auditors of the Company from FY 22-23 for a period of 5 years from the conclusion of 47th Annual General Meeting till the conclusion of Annual General Meeting to be held in year 2027 pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

D. COST AUDITORS:

M/s. Manubhai & Associates, Cost Accountants have been re-appointed as the Cost Auditors of the Company for the FY 2023-24 for all applicable Product Groups. The Cost Audit report for the FY 2023-2024 will be filed within the stipulated period of 180 days from the closure of financial year pursuant to provisions of Companies Act, 2013.

E. INTERNAL AUDITOR:

As required under Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Audit function is carried out by an in house qualified and experienced team led by Chief Internal Auditor, assisted by outsourced audit resources. The internal audit function is independent of the Executive Management. The Chief Internal Auditor reports functionally to the Chairman of Assurance Review Committee of the Board and administratively to the Director & Chief Executive Officer of the Company. The key findings from the internal audit and progress on action taken by the Management are presented to the Management Committee and Assurance Review Committee. The audit plan and coverage are commensurate with the size and operation of the Company.

F. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The disclosure pertaining internal financial controls have already been provided under para 3 of this board report relating to 'Disclosure related to Board, Committee and Policies' sub-para (g.).

5. OTHER DISCLOSURES:

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

In accordance with the provisions of Section 134 (3) (a) and subsection (3) of Section 92 read with rule 12 of the Companies (Management and Administration) Rules, 2014, of the Companies Act, 2013, the Annual Return of the Company for financial year 2023-24, is available on the Company's website at www.amns.in.

b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure V which forms part of this Report.

c. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees are set up at each business locations to redress complaints, if any. All employees are covered under the policy. Following are the details of complaints:

a. Number of complaints filed during the financial year – 4

b. Number of complaints disposed of during the financial year – 4

c. Number of complaints pending as on end of the financial year – Nil

During the year under review, 4 meetings of Internal Complaints committee were held on 24.04.2023, 18.08.2023, 18.12.2023 and 19.03.2024 respectively, attended by the following members:

Smt. Srikanya Das and Shri Deepak Gupta.

d. DISCLOSURE RELATING TO SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

i. Pursuant to order dated 27.09.2021 of NCLT, Ahmedabad, the Provisional Liquidator of AMNS Steel Logistics Limited (AMNSSLL) has taken over management and control of the affairs of AMNSSLL and an order directing winding up of AMNSSLL was passed by NCLT on 28.01.2022. Accordingly, the Company does not have control over AMNSSLL and it has ceased to be a subsidiary of the Company as per the applicable accounting standard. There were no companies which ceases to be Joint venture or associate companies.

ii. During the year, the Company has subscribed 21,22,00,000 Class A Compulsorily Convertible Preference Shares of ₹ 10/- each of AM Mining India Private Limited at a premium of ₹ 32.40/- per share amounting to ₹ 899,72,80,000 on May 3, 2023.

iii. On September 24, 2021, the Supreme Court of Mauritius granted the Company's prayer for the winding up of Essar Steel Offshore Limited (ESOL) and appointed the liquidator of ESOL. The dissolution/ liquidation process has been completed pursuant to order of Hon'ble Supreme Court of Mauritius dated May 8, 2023.

iv. During the year, the Company has acquired Nand Niketan Services Private Limited on September 22, 2023.

v. During the year, AMNS Shared Services Limited has ceased to be subsidiary of the Company w.e.f. October 25, 2023.

vi. During the year, the Company has subscribed 20,00,00,000 0.01%, Non-convertible Redeemable Preference Shares of ₹ 10/- each of AMNS Ports Shared Services Limited (Formerly Ibrox Aviation and Trading Private Limited) at par amounting to ₹ 200,00,00,000/- (Indian Rupees Two Hundred Crores only) on February 14, 2024.

vii. During the year, the Company has acquired AMNS Ports Vizag Limited (formerly Essar Vizag Terminals Limited) through AMNS Ports Hazira Limited on February 27, 2024.

viii. During the year, the Company has subscribed 48,50,746 equity shares of ₹ 10/- each of AM Green Energy Private Limited at a premium of ₹ 16.80/- per share amounting to ₹ 12,99,99,992.80 on March 27, 2024.

e. COMPLIANCE WITH SECRETARIAL STANDARD

The Company has in place requisite systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

f. MERGER AND AMALGAMATION OF THE COMPANY

- On October 11, 2023, the Board of Directors of ArcelorMittal Nippon Steel India Limited approved the "Scheme of Amalgamation and Arrangement" under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 wherein amalgamation of AMNS Khopoli Limited (Amalgamating Company) into and with ArcelorMittal Nippon Steel India Limited (Amalgamated Company) has been proposed. The said scheme has been filed with National Company Law Tribunal, Ahmedabad and National Company Law Tribunal, Mumbai and on November 4, 2023 and is awaited approval.

- On December 15, 2023, the Board of Directors of ArcelorMittal Nippon Steel India Limited approved the "Scheme of Amalgamation and Arrangement" under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 wherein amalgamation of AMNS Gandhidham Limited (Amalgamating Company) into and with ArcelorMittal Nippon Steel India Limited (Amalgamated Company) has been proposed. The said scheme has been filed with National Company Law Tribunal, Ahmedabad and National Company Law Tribunal, Mumbai and on December 22, 2023 and December 21, 2023, respectively and is awaited approval.

- On December 15, 2023, the Board of Directors of ArcelorMittal Nippon Steel India Limited approved the "Composite Scheme of Amalgamation and Arrangement" under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 wherein amalgamation of Nand Niketan Services Private Limited (Amalgamating Company 1), Snow White Agencies Private Limited (Amalgamating Company 2) and AMNS Power Hazira Limited (Amalgamating Company 3) into and with ArcelorMittal Nippon Steel India Limited (Amalgamated Company) have been proposed. The said scheme has been filed with National Company Law Tribunal, Ahmedabad on December 23, 2023 and is awaited approval.

6. ACKNOWLEDGEMENT

Your directors would like to express their gratitude for the assistance and cooperation received from the Financial Institutions, Banks, Government Authorities, Vendors, Customers and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

By the Order of the Board
For **ArcelorMittal Nippon Steel India Limited**

Dilip Oommen	**Hiroo Ishibashi**
Director & CEO	Director and Vice President (Technology)
DIN: 02285794	DIN: 10581262

Date: July 26, 2024
Place: Mumbai

ANNEXURE - I

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with all amounts in Rupees Crores)

Sl. No.	Particulars	Details							
		1	2	3	4	5	6	7	8
1	Name of the subsidiary	AMNS Middle East FZE	AMNS International Limited	PT AM/NS Indonesia	AMNS Ports Hazira Limited (fka Essar Bulk Terminal Limited)	AMNS Ports Paradip Limited (fka Essar Bulk Terminal Paradip Limited)	AMNS Ports India Limited (fka Hazira Cargo Terminals Limited)	AMNS Ports Shared Services Pvt Ltd (Ibrox Aviations and Trading Private Limited)	AMNS Ports Vizag Limited (fka Essar Vizag Terminal Limited)
2	The date since when subsidiary was acquired	16.12.2009	19.09.2015	19.09.2015	15.11.2022	15.11.2022	15.11.2022	15.11.2022	27.02.2024
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	83.37/$	83.37/$	83.37/$	N/A	N/A	N/A	N/A	N/A
5	Share capital	513.40	342.03	316.81	7.55	0.05	64.24	0.01	0.05
6	Reserves & surplus	(2,127.63)	(1.35)	691.11	2,250.36	593.49	2,089.03	174.82	(78.63)
7	Total assets excluding investment	63.73	0.06	1,112.65	3,517.98	600.21	104.85	1.98	724.98
8	Total Liabilities	2,795.13	0.32	104.73	2,187.97	74.09	252.54	825.08	803.56
9	Investments	1,117.16	340.93	-	927.90	67.42	2,300.96	997.93	-
10	Turnover(including Other Income)	181.22	-	1,961.20	1,337.11	208.21	13.71	15.54	155.78
11	Profit / (Loss) before taxation	(4.07)	(0.26)	83.14	549.39	150.16	(9.68)	(63.45)	(123.91)
12	Provision for taxation	-	-	20.61	170.14	38.27	5.46	0.19	-
13	Profit / (Loss) after taxation	(4.07)	(0.26)	62.52	379.25	111.89	(15.15)	(63.65)	(123.91)
14	Proposed Dividend	-	-	-	-	-	-	-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	97.76%	97.76%	97.75%	100%	100%

Sl. No.	Particulars							
		9	10	11	12	13	14	15
1	Name of the subsidiary	AMNS Shipping and Logistics Private Limited	AMNS Power Hazira Limited (fka Essar Power Hazira Limited)	Bhagwat Steel Limited	New Age Education and Skills Foundation	Snow White Agencies Private Limited	Nand Niketan Services Private Limited	Essar Steel Trading FZE
2	The date since when subsidiary was acquired	23.06.2022	19.10.2022	19.10.2022	17.01.2023	19.10.2022	22.09.2023	12.06.2006
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A	83.37/$
5	Share capital	331.01	10.00	12.20	0.01	1.19	0.00	31.80
6	Reserves & surplus	90.71	1197.05	-9.27	139.54	-4.64	0.88	-100.80
7	Total assets excluding investment	518.37	1482.35	3.12	212.63	9.36	0.96	0.07
8	Total Liabilities	115.56	275.30	0.18	73.08	12.81	0.07	69.06
9	Investments	18.90	0.00	0.00	0.00	0.00	0.00	0.00
10	Turnover(including Other Income)	217.47	292.20	0.00	45.49	0.00	0.26	0.00
11	Profit / (Loss) before taxation	58.27	180.65	-0.15	-3.10	-0.21	0.17	-0.08
12	Provision for taxation	0.44	46.64	-0.01	0.00	0.00	-0.04	0.00
13	Profit / (Loss) after taxation	57.83	134.01	-0.14	-3.10	-0.21	0.22	0.00
14	Proposed Dividend	-	-	-	-	-	-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	100%	100%	100%	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in Rupees Crores)

Sr. No.	Name of Associates/Joint Ventures	AM Green private limited	Essar Steel Processing FZCO
1	Latest audited Balance Sheet Date	31-03-24	31-03-24
2	Date on which the Associate or Joint Venture was associated or acquired	22/08/2022	04/04/2010
3	Shares of Associate/Joint Ventures held by the company on the year end		
	No. of shares	43850746	2 shares
	Amount of Investment in Associates/Joint Venture	52 Crore	0.454 crore
	Extent of Holding (in percentage)	26%	40%
4	Description of how there is significant influence	Through percentage equity shareholding	Through percentage equity shareholding
5	Reason why the associate/joint venture is not consolidated	NA	NA
6	Net worth attributable to shareholding as per latest audited Balance Sheet	130.13	-3.366
7	Profit/(Loss) for the year		
	i. Considered in Consolidation	-3.808662	Nil
	ii. Not Considered in Consolidation	Nil	-0.01

ANNEXURE - II

Form AOC-2

(Pursuant to clause (h) of subsection (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 transaction under third proviso thereto

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

ANNEXURE - III

1. Brief outline on CSR Policy of the Company:

AM/NS India is committed to the communities where we operate in and the society at large, hence our CSR is as strategic as our steel making. Our prosperity-driven CSR activities focus on six areas, among others – Health & Sanitation, Education, Livelihood (Skill Development and Women Empowerment), Sports and Culture, Community Infrastructure Development, and Environment. Our need-based CSR interventions covered more than 214 villages spread across eight states and in FY 2023-2024 impacted more than 20,56,541 lives.

The CSR Policy of the Company provides guidance in achieving its social commitment in adherence to the Schedule VII of the Companies Act, 2013. Our CSR interventions also contribute towards the achievement of Sustainable Development Goals. With a priority to our peripheral areas, we work in active partnership with multiple stakeholders including government, communities, and non- governmental organizations to deliver long term sustainable project benefits to the vulnerable and deprived people. The Board CSR Committee provides strategic direction for CSR and approves the plans, budgets, and reviews the process and progress to foster sustainable growth of the Company and communities.

2. Composition of CSR Committee as on March 31, 2024:

Sr No	Name of Director	Designation o/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Prabh Das	Director	1	1
2	Mr. Bradley Lloyd Davey	Director	1	1
3	Mr. Ichiro Sato	Director	1	1
4	Mr. Yoshiaki Kusuhara	Director	1	1

The CSR Meeting was held on December 6, 2023

3. Composition of CSR Committee as on the date of the Board report:

Sr No	Name of Director	Designation o/Nature of Directorship
1	Mr. Prabh Das	Director
2	Mr. Bradley Lloyd Davey	Director
3	Mr. Ichiro Sato	Director
4	Mr. Yoshiaki Kusuhara	Director

4. The web-link of Composition of CSR committee, CSR Policy and CSR projects approved by the board is disclosed on the website of the Company:

Composition of the CSR Committee, CSR Policy and CSR Projects are uploaded on the Company website- AM/NS India (amns.in)

5. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable as there is no mandatory expenditure for FY 2023-24. However, the impact assessment study will be carried out for the FY 2023-24.

6. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Crores)	Amount required to be set- off for the financial year, if any (in ₹ Crores)
1	2023 - 24	322.18	NIL
2	2022 - 23	102.90	NIL
3	2021 - 22	48.55	NIL
	TOTAL	**473.63**	NIL

7. Average net profit of the Company for last three Financial Years: Negative (Calculated as per Section 198)

(a) **Two percent of average net profit of the Company:** NIL

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

(c) **Amount required to be set off for the financial year, if any:** NIL

(d) **Total CSR obligation for the financial year (7a+7b-7c):** NIL

8. (a) CSR amount spent or unspent for the financial year:

The Company does not have any CSR liability as per Section 135(5) of the companies act, 2013 since company did not make any profits. However, the Company spent an amount of ₹322.18 crores voluntarily towards various CSR activities on six thrust areas including Health & Sanitation, Education, Livelihood (Skill Development and Women Empowerment), Sports and Culture, Community Infrastructure Development, and Environment.

Total Amount Spent for the Financial Year. (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
322.18	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project Duration	Amount allocated for the project (₹ in Crores)	Amount spent in the current financial Year (₹ in Crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crores)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
1	Project Arogya (Health Initiative – Health Dispensary, Health Camps, Ambulance services, Support to Health Centres)	Item (i)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Surat, Keonjhar, Sundargarh, Malkangiri, Dantewada, Sukma, Visakhapatnam, Jagatsinghpur, Kendrapara	3 years	2.0	1.81	0	Yes		
2	Project Arogya (Health Initiative – Mobile Medical Unit)	Item (i)	Yes	Odisha, Gujarat	Paradeep, Sundargarh, Surat	3 years	0.65	0.54	0	No	HelpAge India	CSR00000901
3	Project Arogya (Health Initiatives – Community Health Dispensary)	Item (i)	Yes	Odisha	Sundargarh	3 years	0.24	0.20	0	No	Punaruthan Voluntary Organisation	CSR00000650

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of active ties in Schedul e VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project.		(6) Project Duration	(7) Amoun t allocated for the project (₹ in Crores)	(8) Amount spent in the current financial Year (₹ in Crores)	(9) Amount transfer red to Unspent CSR Account for the project as per Section 135(6) (₹ in Crores)	(10) Mode of Imple-mentation Direct (Yes/No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
4	Project PadhegaBharat (Education Initiatives-Learning and teaching materials, upgradation,	Item (ii)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra, Madhya	Surat, Keonjhar, Sundargarh, Malkangiri, Jagatsinghpur, Keonjhar, Dantewada, Sukma,	3 years	4.15	4.10	0	Yes		
5	Project PadhegaBharat (Education Initiatives-Support to Mo School)	Item (ii)	Yes	Odisha	Malkangiri, Jagatsinghpu, Kendrapara	3 years	30.00	30.00	0	No	Mo School Abhiyan Parichalana Sangathan	CSR0000957 4
6	Project PadhegaBharat (Education Initiatives-Nutrition support to quality of education in nearby schools and Anganwadi centers) Tribal school)	Item (ii)	Yes	Odisha Pradesh, Haryana	Keonjhar Visakhapatnam Pune, Dhar, Jhajjhar	3 years	0.08	0.08	0	No	Ramadevi Village Development Organization	
7	Project Digital Pathashala	Item (ii)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Surat, Keonjhar, Sundargarh, Malkangiri, Dantewada, Sukma, Visakhapatnam, Jagatsinghpur, Pune	3 years	1.96	1.95	0	No	Build A Class Initiative	CSR0003213 3
8	Project Beti Padhao Scholarship	Item (ii)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Surat, Keonjhar, Sundargarh, Jagatsinghpur, Kendrapara, Dantewada, Visakhapatnam, Pune	3 years	1.27	1.26	0	No	Siksha Seva Foundation	CSR0000225 6
9	Project SAFAL (Livelihood Initiatives, Income generation program)	Item (iii)	Yes	Gujarat, Odisha,	Surat, Jagatsinghpur	3 years	2.29	0.72	0	No	BAIF	CSR0000025 9
10	Project SAFAL (Livelihood Initiatives, Income generation program)	Item (iii)	Yes	Odisha	Jagatsinghpur	3 years	0.13	0.04	0	No	Ramadevi Village Development Organizatio n	CSR000176 65
11	Project Daksh	Item (iii)	Yes	Gujarat, Odisha, Chhattisgarh, Maharashtra	Surat, Jagatsinghpur, Raipur, Pune, Dantewada	3 years	3.6	2.52	0	No	National Skill Development Corporation	CSR0000590 3

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project.		(6) Project Duration	(7) Amount allocated for the project (₹ in Crores)	(8) Amount spent in the current financial Year (₹ in Crores)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crores)	(10) Mode of Implementation Direct (Yes/No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
12	NAMTECH (Skill Institute)	Item (iii)	Yes	Gujarat	Gandhinagar	4 years	252.00	251.70	0	No	New age Education and Skills Foundation	CSR000515 66
13	Project Green (Environment)	Item (iv)	Yes	Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Jagatsinghpur, Dantewada, Visakhapatnam, Pune	3 years	1.08	1.07	0	Yes		
14	Project Udaan (Promotions of Sports and Culture)	Item (vii)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh	Surat, Sundargarh, Malkangiri, Dantewada, Sukma, Visakhapatnam, Jagatsinghpur	3 years	8.50	8.35	0	Yes		
15	Project Nirman, Trupti & Ujjwala (Community Infrastructure & other initiatives)	Item (x)	Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Surat, Keonjhar, Sundargarh, Malkangiri, Dantewada, Sukma, Visakhapatnam, Jagatsinghpur, Pune	3 years	16.30	16.29	0	Yes		
						Total	324.25	320.61				

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NA

1 Sr. No.	2 Name of the Project	3 Item from the list of activities in schedule VII to the Act.	4 Local area (Yes / No)	5 Location of the project.		6 Amount spent for the Project (₹ in Crores)	7 Mode of implementation Direct (Yes/No)	8 Mode implementation of – Through Implementing agency	
				State	District			Name	CSR Registration Number
N.A.									

(d) Amount spent in Administrative Overheads: ₹ 1.55 Crores

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year(8b+8c+8d+8e): ₹ 322.18 Crores.

(g) Excess amount for set off if any:

Sr. No.	Particular	Amount (₹ In Crores)
(i)	Two percent of average net profit of the Company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	322.18
(iii)	Excess amount spent for the financial year [(ii)-(i)]	322.18
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial. years, if any	NIL
(v)	Amount available for set off in succeeding financial years. [(iii)-(iv)]	322.18

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** NIL

   (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not applicable.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) **Date of creation or acquisition of the capital asset(s):** Not Applicable

(b) **Amount of CSR spent for creation or acquisition of capital assets:** Not Applicable

(c) **Details of the entity or public authority or beneficiary under whose name suchcapital asset is registered, their address etc:** Not Applicable

(d) **Provide details of the capital asset(s) created or acquired (including complete address and Location of the capital asset):** Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

The Company does not have CSR liability as per Section 135(5) of the companies act, 2013 since the Company is bringing forward losses which are set off against profits hence there is no net profit under section 198 for CSR liability.

ANNEXURE - IV

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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,
ARCELORMITTAL NIPPON STEEL INDIA LIMITED
(CIN: U27100GJ1976FLC013787)
AMNS HOUSE, AMNS TOWNSHIP 27TH KM, SURAT HAZIRA ROAD, HAZIRA, SURAT - GUJARAT–394270

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ARCELORMITTAL NIPPON STEEL INDIA LIMITED (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our 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 authorized 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 March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") read with 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; in so far as they are made applicable;

(iv) Foreign Exchange Management Act, 1999

(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; which is not applicable to the Company during the Audit Period.

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; which is 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; which is 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; which is 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; which is not applicable to the Company during the Audit Period.

  f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act, and dealing with client; in so far as they are made applicable;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; which is not applicable to the Company during the Audit Period.

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; which is not applicable to the Company during the Audit Period.

  i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; which is not applicable to the Company during the Audit Period.

(vi) The management has identified and confirmed the compliances of the following laws as specifically applicable of the Company:

  a) The Mines Act, 1952 and the rules, regulations made there under.

  b) Mines and Minerals (Development & Regulation) Act, 1957 and the rules made there under.

  c) The Iron ore Mines, Manganese ore Mines & Chrome ore mines Labour welfare Fund Act, 1976.

  d) Foreign Contribution Regulation Act, 2010 and the rules made there under.

I have also examined compliance with the applicable clauses of the Secretarial Standards relating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India.

I report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted and the changes in the composition of Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of meetings at shorter notice, the necessary consents have been sought at the meetings 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.

All decision at Board Meetings and Committee(s) Meetings are carried unanimously as recorded in the meetings of the Board and Committee(s) of the Board, as the case may be and circular resolutions for Board and Committees are carried with the requisite majority as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board.

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.

I further report that during the audit period, the following specific events/actions, having major bearing on the Company's affairs took place:

1. The Board of Directors of the Company at its meeting held on November 03, 2023 has approved the Scheme of Amalgamation of AMNS Khopoli Limited with ArcelorMittal Nippon Steel India Limited under sections 230 to 232 of the Companies Act, 2013 and other applicable laws, currently which is pending before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad.

2. The Board of Directors of the Company at its meeting held on December 15, 2023 has approved the Scheme of Amalgamation of AMNS Gandhidham Limited with ArcelorMittal Nippon Steel India Limited under sections 230 to 232 of the Companies Act, 2013, and other applicable laws, currently which is pending before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad.

3. The Board of Directors of the Company at its meeting held on December 15, 2023 has approved the Composite Scheme of Amalgamation of Nand Niketan Services Private Limited and Snow White Agencies Private Limited and AMNS Power Hazira Limited (Wholly Owned Subsidiaries) with ArcelorMittal Nippon Steel India Limited under sections 230 to 232 of the Companies Act, 2013, and other applicable laws, currently which is pending before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad.

4. Arcelor Mittal India Private Limited and AM Associates India Private Limited and ArcelorMittal Nippon Steel India Limited has been amalgamated vide order passed by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad dated March 15, 2023 under the Composite Scheme of Arrangement became effective w.e.f. August 03, 2023.

5. The Company is under the process of Conversion from Public to Private as part of Composite Scheme of Arrangement approved by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench vide their Order dated March 15, 2023.

ASHISH GARG
Practicing Company Secretary
FCS NO: 5181CP NO: 4423
PR: 3684/2023
UDIN: F005181F000856262

Place: Indore
Date: June 26, 2024

This report is to be read with Annexure A which forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
ARCELORMITTAL NIPPON STEEL INDIA LIMITED
(CIN: U27100GJ1976FLC013787)
AMNS HOUSE, AMNS TOWNSHIP 27TH KM, SURAT HAZIRA ROAD, HAZIRA, SURAT - GUJARAT–394270

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances 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 and have given this report based on the Unaudited Financial Statement.

4. We have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc. for laws other than corporate laws.

5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the 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.

ASHISH GARG
Practicing Company Secretary
FCS NO: 5181CP NO: 4423
PR: 3684/2023
UDIN: F005181F000856262

Place: Indore
Date: June 26, 2024

ANNEXURE - V

INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:

Sr. No.	ENERGY CONSERVATION MEASURES 2023-24
1	BF - Replacing old compressor by energy efficient with reduced pressure. - Energy Savings (Lakhs kWh) - 13.72 - Approx. Investment - 104 Lakhs
2	BF - VVVFD installed in SSPH Pump - Energy Savings (Lakhs kWh) - 3.07 - Approx. Investment - 6 Lakhs
3	BF - Optimisation in pump operation (Stave cooling water circuit) - Energy Savings (Lakhs kWh) - 2.24 - Approx. Investment - Nil
4	BF - VVVFD Installation in PCI-2 fan to Eliminate the pressure drop issue across bag filter and damper in PCI 1. - Energy Savings (Lakhs kWh) - 13.22 - Approx. Investment - 50 Lakhs
5	BF - Reduce the pressure drop across damper in Cast House Dedusting Fan - Energy Savings (Lakhs kWh) - 9.94 - Approx. Investment - Nil
6	BF - Revamping of Evaporative coolers (32 nos) at main Pump House. - Energy Savings (Lakhs kWh) - 4.38 - Approx. Investment - 261 Lakhs
7	BF - Replacing shutoff valve by control valve to reduce N2 consumption upto 80% at stove - Energy Savings (Lakhs NM3) - 109.54 - Approx. Investment - 2 Lakhs
8	COREX - Reduction in Power Consumption of Cooling Gas Compressor by logic modification. - Energy Savings (Lakhs kWh) - 20.21 - Approx. Investment - Nil
9	COREX - optimization in CDP ID fan in lines-8 & 9 - Energy Savings (Lakhs kWh) - 0.46 - Approx. Investment - Nil
10	COREX - Optimizing operating hours of hot water pumps & cooling tower fans. - Energy Savings (Lakhs kWh) - 1.56 - Approx. Investment - Nil
11	HBI - Drive Installation (Internal shifting) in Mod-6 Main Air Fan - Energy Savings (Lakhs kWh) - 49.63 - Approx. Investment - Nil
12	HBI - Installation of PNG (Process Natural Gas) bundle in Mod-2 recuperator to reduce fuel consumption. - Energy Savings (Lakhs SM3) - 9.41 - Approx. Investment - 130 Lakhs
13	HBI - Reduce pressure drop from Venturi outlet to DC fan inlet in Mod 1 - Energy Savings (Lakhs kWh) - 10.8 - Approx. Investment - Nil
14	HBI - Modification of mod 4 reformer tube from 8” to 9” to increase productivity - NG Saving. - Energy Savings (Lakhs SM3) - 126.82 - Approx. Investment - 1189 Lakhs
15	HBI - Modification of mod 4 reformer tube from 8” to 9” to increase productivity - Power saving. - Energy Savings (Lakhs kWh) - 54.35 - Approx. Investment - 1189 Lakhs
16	SMP-1 - VVVFD installation at RH CCW pump system - Energy Savings (Lakhs kWh) - 7.61 - Approx. Investment - 36 Lakhs
17	SMP-1 - Energy Saving through Regenerative drives in crane - Energy Savings (Lakhs kWh) - 1.66 - Approx. Investment - Nil
18	SMP-1 - VVF Drive in Horizontal-2 Preheater Motor - Energy Savings (Lakhs kWh) - 1.68 - Approx. Investment - 12 Lakhs
19	SMP-2 - Replacement of NG with N2 during blowing step in side lance process. - Energy Savings (Lakhs SM3) - 79.41 - Approx. Investment - Nil
20	SMP-2 - LF7 Booster Fan -20% energy reduction by modification in PLC logic. - Energy Savings (Lakhs kWh) - 1.85 - Approx. Investment - Nil
21	SMP-2 Utility - Phase-I Replace Existing Metal Blade to FRP Blade for cooling tower Fans and Fin Fan Coolers in EAF 1&2 PH, CONARC 1&2 PH -13 Blades - Energy Savings (Lakhs kWh) - 4.96 - Approx. Investment - 19 Lakhs
22	CSP MILL - B-2 Recuperator Efficiency improvement - Energy Savings (Lakhs SM3) - 4.31 - Approx. Investment - 22 Lakhs
23	CSP MILL - Reduce heat loss through waste Gases by 20% in Tunnel Furnace line A & B - Energy Savings (Lakhs SM3) - 6.77 - Approx. Investment - Nil

Sr. No.	ENERGY CONSERVATION MEASURES 2023-24
24	PLATE MILL - Process improvement in Reheating Furnace through replacement of recuperator Bundle - Energy Savings (Lakhs SM3) - 204.29 - Approx. Investment - 350 Lakhs
25	PLATE MILL - Automization for scrap removal & knife cleaning - Energy Savings (Lakhs kWh) - 0.06 - Approx. Investment - Nil
26	CRM - optimizing power consumption in CGL1 - Energy Savings (Lakhs kWh) - 1.22 - Approx. Investment - Nil
27	CRM - Utility - Installing Condensing economizer in flue gas path in CRM-1 Boiler-2 - Energy Savings (Lakhs SM3) - 2.92 - Approx. Investment - 18 Lakhs
28	19 MW - Elimination of NG support firing at BF gas fired burner HGG1 & HGG 2. - Energy Savings (Lakhs SM3) - 50.34 - Approx. Investment - 10 Lakhs
29	MH - Implementing logic in PLC to stop Conveyors idle running & timer logic in LED - Energy Savings (Lakhs kWh) - 9.83 - Approx. Investment - Nil
30	UTILITIES - Modification in EAF 1&2 Primary Water Cooling system reducing power consumption by 5% - Energy Savings (Lakhs kWh) - 13.54 - Approx. Investment - Nil
31	UTILITIES - Process Optimization in CSP Mill SST & Scale Pit Pumping system - Energy Savings (Lakhs kWh) - 7.36 - Approx. Investment - 1 Lakhs
32	UTILITIES - Auto drain valve installation in CRM and DSC Air receiver. - Energy Savings (Lakhs kWh) - 3.75 - Approx. Investment - 1 Lakhs
33	500MW - Replacement of GT hall REF`s with Turbo-ventilator fans. - Energy Savings (Lakhs kWh) - 4.34 - Approx. Investment - 2 Lakhs

Sr. No.	Proposed Energy Saving Projects 2024-25
1	BF - 22% Nitrogen reduction at PCI 2 by system modification - Energy Savings (Lakhs NM3) - 84.1 - Approx. Investment - Nil
2	BF - Variable frequency drive (VFD) in PCI#2 combustion fan blower - Energy Savings (Lakhs kWh) - 0.19 - Approx. Investment - 1 Lakhs
3	BF - Power optimization at PCI GM 2 Conveyor Magnetic Seperator. - Energy Savings (Lakhs kWh) - 0.39 - Approx. Investment - Nil
4	BF - Power optimization at stoves CA Fan-1 - Energy Savings (Lakhs kWh) - 4.7 - Approx. Investment - 3 Lakhs
5	BF - Running Jockey pump (Low Pressure) instead of Main pump (High Pressure) in Fire hydrant circuit. - Energy Savings (Lakhs kWh) - 4.33 - Approx. Investment - 2 Lakhs
6	BF - Power optimization at Cast House Dedusting ID Fan by auto operation of speed with differential pressure - Energy Savings (Lakhs kWh) - 5.1 - Approx. Investment - Nil
7	BF - Power optimization at PCI-1, FD Fan-1 by VVVFD installation. - Energy Savings (Lakhs kWh) - 5.29 - Approx. Investment - 6 Lakhs
8	BF - Installing IFC (Intelligent Flow control Unit) to eliminate the fluctuations in compressor. - Energy Savings (Lakhs kWh) - 4.67 - Approx. Investment - 33 Lakhs
9	BF - VFD installation in Mixer Dedusting ID fan - Energy Savings (Lakhs kWh) - 17.5 - Approx. Investment - 130 Lakhs
10	BF - Venturi-2, Pump-A replacement and horizontal assembly installation - Energy Savings (Lakhs kWh) - 8.4 - Approx. Investment - 9 Lakhs
11	BF - SH screen replacement with low rating motor - Energy Savings (Lakhs kWh) - 0.63 - Approx. Investment - Nil
12	HBI - Install VFD in Module 2 Flue Gas fan & avoid damper loss in HBI - Energy Savings (Lakhs kWh) - 16.19 - Approx. Investment - 265 Lakhs
13	HBI - Re-designing tail gas blower assembly in Mod 5&6 VPSA system - Energy Savings (Lakhs kWh) - 42.05 - Approx. Investment - 48 Lakhs
14	SMP-1 - Tundish NG Saving & cycle time reduction for drying. - Energy Savings (Lakhs SM3) - 26.11 - Approx. Investment - Nil
15	SMP-1 - VVVFD Installation in Vacuum Degasifier condenser pump system. - Energy Savings (Lakhs kWh) - 2.09 - Approx. Investment - 24 Lakhs
16	SMP-1 - Installing VFD and temperature control system in CCP-1 AHU - Energy Savings (Lakhs kWh) - 0.22 - Approx. Investment - 0.42 Lakhs
17	SMP-2 - Drive installation in LF Booster fan (4/5 nos.) - Phase 2 - Energy Savings (Lakhs kWh) - 31.2 - Approx. Investment - 369 Lakhs

Sr. No.	Proposed Energy Saving Projects 2024-25
18	SMP-2 - Drive installation in Primary Booster Fan (1/2 nos.) - Phase 2 - Energy Savings (Lakhs kWh) - 13.6 - Approx. Investment - 150 Lakhs
19	SMP-2 Utility - Phase-II Replace Existing Metal Blade to FRP Blade for cooling tower Fans and Fin Fan Coolers in EAF 1&2 PH, CONARC 1&2 PH - 16 Blades - Energy Savings (Lakhs kWh) - 4.41 - Approx. Investment - 20 Lakhs
20	SMP-2 - Energy Saving in Hot metal pre-treatment station (HMPS) water cooling circuit - Energy Savings (Lakhs kWh) - 26.3 - Approx. Investment - 9 Lakhs
21	HSM - Recuperator Bundles replacement in RHF 1&2 (4 - hot, 4 - cold) - Energy Savings (Lakhs SM3) - 13.93 - Approx. Investment - 1000 Lakhs
22	HSM - Reducing 4 nos. to 2 nos Pumps in laminar system. - Energy Savings (Lakhs kWh) - 26.96 - Approx. Investment - 10 Lakhs
23	CSP MILL - Stoppage of 2 Nos. pumps as decrease in hydraulic HP system temperature from 55°C to 45°C . - Energy Savings (Lakhs kWh) - 2.28 - Approx. Investment - Nil
24	CSP MILL Utility - Replace identified low efficiency pumps with energy efficient pumps -7 Nos. (08 P001 B , 08 P001 C, 06 P002 B, 06 P002 C, 06 P002 D, 06 P001 B & 06 P001 C) - Energy Savings (Lakhs kWh) - 22.67 - Approx. Investment - 118 Lakhs
25	CSP MILL - Illumination energy optimization across CSP Mill Complex - Energy Savings (Lakhs kWh) - 0.92 - Approx. Investment - 2 Lakhs
26	PIPE MILL - Process optimization by installing Solenoid valve in Pneumatic line in internal coating -1 - Energy Savings (Lakhs kWh) - 1.82 - Approx. Investment - Nil
27	PIPE MILL - Energy saving by reduction of compressed air consumption by 5%. - Energy Savings (Lakhs kWh) - 16.6 - Approx. Investment - Nil
28	CRM - VVVF drive to be installed in place of star-delta starter for CTCM roll coolant supply pump. (132KW) - Energy Savings (Lakhs kWh) - 4.31 - Approx. Investment - 7 Lakhs
29	MH - Installing VFD in bucket wheel operation. - Energy Savings (Lakhs kWh) - 1.93 - Approx. Investment - 7 Lakhs
30	UTILITIES - Install VFD in feed water pump to avoid recirculation of feed water in BFP to deaerator - Energy Savings (Lakhs kWh) - 1.2 - Approx. Investment - 7 Lakhs
31	UTILITIES - Replace belt driven ahu drives with direct driven Electronically commutator (Total-43 Nos.) - Energy Savings (Lakhs kWh) - 1.49 - Approx. Investment - 25 Lakhs
32	UTILITIES - Installation of IFC (Intelligent Flow control Unit) for air flow control management - Energy Savings (Lakhs kWh) - 1.66 - Approx. Investment - 8 Lakhs
33	UTILITIES - Power saving in process & comfort air conditioning system - Energy Savings (Lakhs kWh) - 41.27 - Approx. Investment - Nil
34	UTILITIES - Replacement of Gravity filter DBS 55KW pump set with 45KW pump set - Energy Savings (Lakhs kWh) - 0.84 - Approx. Investment - Nil
35	500MW - Phase II Install FRP blades for GT-2 Turbine/generator radiator fans. - Energy Savings (Lakhs kWh) - 0.82 - Approx. Investment - 2 Lakhs

ENERGY CONSERVATION MEASURES 2023-24 AT ODISHA

1. CONSERVATION OF ENERGY

- FO has been replaced by NG in PP2. We are able to save ₹ 15 lakhs per day and the carbon emission is also less. For PP1 NG burner installation is under progress.
- KVX System for coal saving up to 3 to 5% is under consideration.

2. TECHNOLOGY ABSORPTION

- PP1 Double Deck Roller Feeder (Segregation) has been installed. Quality improvement and power saving of 3KWH per MT achieved.
- Independent loading conveyor commissioned. On a continuous basis, the iron ore grinding can be done for Fe improvement.

3. RESEARCH AND DEVELOPMENT (R&D)

- Linder test Apparatus and RI and RDI system equipment's commissioned in Lab.
- Minipot from Paul Wurth will be received in September 24

ArcelorMittal Nippon Steel India Ltd, Pellet Operations, Visakhapatnam

CONSERVATION OF ENERGY

Pellet Plant – Vizag:

1. Strategically sourced the power from Third party to meet the ABP production targets and avoided the Maximum power demand from APEPDCL. Cost savings of ₹ 15.96 crores from Strategically power sourcing.
2. Introduction of oil recirculation pump into the fuel oil system to pump catalyst blended oil, for Effective

Homogenization and Temperature Maintenance of oil for efficient oil combustion and heat transfer. Savings from energy conservation is ₹ 1.8 crores.

3. Optimisation of specific power consumption of ball mill during grinding of Mill scale fines. Savings from energy conservation is ₹ 0.75 crores.
4. The issue with the AP Electricity Regulatory Commission regarding electricity duty charges was resolved, resulting in a saving of ₹ 0.78 crores.

Captive Power Plant – Vizag

1. Replacement of old more power consuming and frequent repair duct Acs with latest BEE 5-star rating energy efficient Split ACs available in the market. Power savings achieved ₹ 5 lakhs per annum.
2. Transparent corrugated roof sheeting arranged at possible locations of Boiler and Crusher house building roofs. Energy saving in lighting power consumption during the daytime achieved is 45 kwh/day.

TECHNOLOGY ABSORPTION

Pellet Plant – Vizag

1. Usage of Organic Binder to improve Chemical and Physical Properties of the Pellets. Thereby benefiting at Iron and Steel making. Savings of ₹ 65.5 crores from alternative binder selection.
2. The enhancement of pressure filter swivel plates resulted in savings of ₹ 6.71 crores.
3. Enhancement of Induration Furnace Refractory Life to reduce frequency of Refractory Annual Shutdowns. Savings of ₹ 2.84 Crores from new design developments in furnace refractory.
4. Replacement of PP2 transformers by modifying the MCC-14 bus duct reduced maintenance time, resulting in savings of ₹ 1.64 crores.
5. Cost optimization by selection of alternative competent service provider for integration of third-party APC to DCS system, resulting in savings of ₹ 1.13 crores.
6. Upgradation of PMIO power supply modules by using indigenous material with advanced features than OEM resulting in cost savings of ₹ 0.85 crores.
7. Inhouse tool developed to meet the Process requirement and eliminated the Third-party interface and its dependency which resulted in savings of ₹ 0.56 crores.

Captive Power Plant – Vizag

1. Generator bearing design modified with increased oil flow and In - situ balancing carried out successfully for STG rotor to address the major issue of Turbo Generator bearings high vibrations.
2. Upgraded the Turbo Supervisory controllers to latest available model without altering the panel and configuration. Moreover, with the new model we could be able to achieve reliability in the system by better monitor and troubleshoot.

PROCESS OPTIMIZATION

Pellet Plant- Vizag

1. Enhanced the reliability of PP2 wind box recuperation fan motor and reduced motor vibrations, resulting in savings of ₹ 5.67 crores.
2. The berthing of a Cape size vessel at Inner Harbour marks a historic first for Visakhapatnam Port, resulting in savings of ₹ 2.05 crores.
3. Upgraded PP1 & PP2 product handling belt conveyor-1 & 1A with YOKOHAMA Super 100 grade to enhance equipment reliability, resulting in savings of ₹ 0.91 crores.
4. Enhanced the performance of PP2 ESP through the installation of anti-sneak baffles, resulting in savings of ₹ 1 crore.
5. Enhanced production of filter cake by adding 2 filter plates to Pressure Filter-1, resulting in savings of ₹ 0.64 crores.

Captive Power Plant – Vizag

1. Dedicated chemical preservation tank made available for the Boiler preservation chemical preparation and storage there by startup delay reduced by 20 hours, by ensuring the continuous availability of DM water in the tanks.
2. Controlling type power cylinder is provided for Boiler start up compartment in place of full open /close type for smooth air flow control and to maintain required fluidisation during Boiler start up.

ArcelorMittal Nippon Steel India limited – Pune.

Conservation Of Energy & Technology Absorption for FY 2023-24

1. **Energy saving on account of switching off RTF combustion blower by merging it with DFF combustion blower.**

   Annual saving of 4.43 Lacs.

2. **Energy Saving on account of Chem. coater exhaust blower replaced from 37 KW to 11 KW in CCL-2.**

   Annual savings of ₹ 6.43 Lacs

3. **Energy Saving on account of Provision of VFD for Mill 3 Fume ex. Blower 200 kw.**

   Annual savings of ₹ 12.61 Lacs

4. **Energy Saving on account of Provision of VFD for Mill 3 coolant pump- 160Kw.**

   Annual savings of ₹ 7.90 Lacs

5. **Energy Saving on account of Provision of VFD for Mill 1 coolant pump- 55Kw.**

   Annual savings of ₹ 3.79 Lacs

6. **Energy Saving on account of Provision of VFD for Mill 1 DC motor ventilation blower 90kw.**

   Annual savings of ₹ 4.30 Lacs

7. **Energy Saving on account of Provision of VFD for hot well pump (75 KW) in CGL-2.**

   Annual savings of ₹ 9.21 Lacs

8. **Energy Saving on account of Switching off 1 no 15 kw exit hyd. motors (now 2 no's running) CCL-1.**

   Annual savings of ₹ 4.71 Lacs

9. **Energy Saving on account of Provision of VFD for incinerator exhaust fan CCL-1.**

   Annual savings of ₹ 8.25 Lacs

10. **Energy Saving on account of Provision of VFD for finish water quench pump of 75kw CCL-2.**

    Annual savings of ₹ 8.20 Lacs

11. **Energy Saving on account of Provision of VFD for RTF combustion blower of 15KW CGL-2.**

    Annual savings of ₹ 3.88 Lacs

12. **Energy Saving on account of Provision of VFD for F/O Z1 R/C fan CCL-1.**

    Annual savings of ₹3.59 Lacs

13. **Energy Saving on account of Provision of VFD for F/O Z2 R/C fan CCL-1.**

    Annual savings of ₹3.58 Lacs

14. **Energy saving on account of Installing Energy Efficient Pumps at Mill-1 Coolant system. In place of Running:**

    2 Pumps of 55 KW each, we are running only one pump of 55 KW, so direct saving of 55KW power per hour. Annual savings of ₹7.73 lacs

15. **Energy saving on account of Installing Energy Efficient Pumps, At Mill-3 Coolant system. In place of Running:**

    2 Pumps of 55 KW each, we are running only one pump of 55 KW, so direct saving of 55KW power per hour. Total Annual savings of ₹ 18.96 lacs.

16. **Energy saving on account of installation of reactive power factor control system. (Technology Absorption).**

    Total Annual savings of ₹ 556 lacs.

17. **Energy Saving on account of Provision of 200KW VFD for cold well pumps of CGL/CCL water complex.**

    Annual savings of ₹ 38.42 Lacs

    Total Saving (Electrical Energy)– ₹ 702.07 Lacs

FORM B – R&D

ARCELORMITTAL NIPPON STEEL INDIA LIMITED- PUNE

RESEARCH AND DEVELOPMENT (R&D)

1. In colour coating line New chrome free product developed for pretreatment chemical, primer and for finish coat. This is ROHS compliant product. As chrome is hazardous to human and environment, this is a major step towards sustainability.

2. New 'Optigal' product launched first time in India. This product required less zinc coating as compared to conventional galvanise product and have better life.

ARCELORMITTAL NIPPON STEEL INDIA LIMITED- HAZIRA

Areas of Focus

The objective of the R&D program is to make elorMittal Nippon Steel India Ltd a leading andsustainable steel producer in India through focused applied research in the following areas:

a. New and innovative steel product development

b. Valorisation of By-products of steel plant

c. Process improvements

d. Research on new and local raw materials

Title	Number of steel grades/Projects
New steel grades developed	17
Raw materials projects	2
Mathematical models	1
By Products valorisation	2

Import Substitution Through New Steel Grade Development

	2020-21	2021-22	2022-23	2023-24
Number of new steel grades developed	15	12	18	17
Number o f import substitute grades developed	5	2	6	3

Import substitute grades developed in FY2023-24:

1. High strength plates S960 QL for high strength structures / modular bridges

2. API quality steel X-70 with DWTT @ -25 deg C for line pipes

3. High strength plates A 537 CL 2 with restricted CE 0.43 max for excellent weldability

New Products Developed

No. of Project	Name	Key product attributes and challenges	Plant trials	Commercial Production
		Hot Rolled		
6	Special steel high carbon low alloyed steel 51CrV4- for Clutch Diaphragm for automobiles	Steel cleanliness, High carbon and low alloyed steel with good surface characteristics and fine micro-structure	√	√
	Automotive steel SAE1536- for two wheeler front fork	Steel cleanliness, good surface characteristics and fine micro- structure	√	√
	High strength API quality steel X-70 with HTP concept for HSAW pipes	High strength, restricted YST ration and Drop weight in 45deg to RD.	√	√
	High strength steel YS380- Steel for Axles Cover	High strength and good cold formability	√	√
	High strength steel YS> 500Mpa for wheel rim / dsc aplication in thk <2.60mm	High strength and good cold forming and drawability, fatigue performance	√	√
	High strength steel for wheel Rim and Disc application for PV and LCV's	High strength and good cold forming and drawability, fatigue performance	√	√
		Cold Rolled		
2	High strength customised HSLA340+V for Two wheeler	High strength YS>340Mpa with restricted steel composition	√	√
	High strength Interstitial free steel for automobile application (TS:>400 Mpa)	High strength >400Mpa, with good cold formability and drawability	√	√
		Cold Rolled Coated		
3	High strength GI steel for construction application	High strength >410Mpa with thicker gauge 2.50mm with non-microalloyed steel	√	
	High strength SGC 440 (M) for solar application	High strength TS>440Mpa, %El: 28 min and with good drawability	√	√
	High strength S550GD GI for solar application	High strength steel YS>550Mpa and good elongation >12% in thicknes guages	√	√
		Plates		
6	High strength plates A 537 CL 2 with restricted CE 0.43 max for excellent weldability	High strength Q&T plates, with post weld heat treatment simulations and with excellent toughness	√	√
	High strength plates S960 QL for high strength structures / modular bridges	High strength YS> 960MPa, with CVN toughness @ -40 deg C and good bendability	√	
	Abrasion resistant steel Rockstar 400 with impact toughness at -20 deg C	High hardness ~400BHN and CVN impact toughness @- 20deg C	√	√
	API quality steel X-70 with DWTT @ -25 deg C for line pipes	High strength, restricted YST ration and Drop weight @-25 Deg with plate thickness upto 28mm	√	√
	High strength structural steel S460N in heavy thickness upto 85mm	High strength TS> 520 Mpa in plate thickness 85mm in normalised condition	√	√
	High strength normalised rolled plates E450 for structural applications	High strength YS>450Mpa in normalised rolled condition	√	√

Process Modelling Projects

Sr. No	Projects	FY 23-24
1	Transverse crack prediction in continuous slab casters using Artificial Intelligence/Machine Learning (AI/ML)	√

Raw Materials Projects

Sr. No.	Projects	FY 22-23	FY 23-24
1	Studies on minimization of ultrafine generation at Dabuna Beneficiation plant	√	√
3	Improvement of Pellet Quality from Vizag and its Performance at Hazira	√	√

By Product Valorization Projects

Sr. No.	Projects	FY 22-23	FY 23-24
1	Development of LF Slag treatment process for recovering valuable products		√
2	Study on Optimizing Raw Materials and Process Parameters to Enhance the Quality of Micro-Pellets in the Corex Sludge Agglomeration Plant	√	√

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

AM/NS continues to expand its reach in the international market. In FY 2023-24 exports sales constituted 11% of the total sales. Export sales grew by 28% you in FY 2023-24. Focus markets for AM/NS continues to be EU and ME. Together they constitute 86% of the total sales.

Middle East continues to remain a key strategic region for the Company. Focussed service centre and dedicated sale team continue to develop relationships with all the key end user customers in the region.

EU remained the growth market for AM/NS where the sales grew 2.6 times in FY 2023-24. Apart from EU & ME, sales volumes were spread in other key geographies e.g Asean, South America etc.

In terms of product mix for total export volumes, the Downstream products were at 50% whereas the HR products were at 38%. Rest was Plates & Pipe products.

Total Foreign exchange used and earned

(₹ in Crore)

			2023-24	2022-23
a)	**Total Foreign exchange earned**			
	i)	Foreign exchange directly earned through export(FOB Value)	11,461.73	6,660.33
	ii)	Others	675.62	520.90
	Total foreign exchange earned		**12,137.34**	**7,181.22**
b)	**Total foreign exchange used**			
	i)	For import of plant and machinery/technical know-how	2,564.69	621.39
	ii)	Others including raw materials and interest	20,623.80	26,739.85
	Total foreign exchange used		**23,188.49**	**27,361.24**

ANNEXURE VI

Management Discussion & Analysis

Company Overview

ArcelorMittal Nippon Steel India (AMNSI), a joint venture between global steel leaders ArcelorMittal and Nippon Steel, stands as a prominent integrated steel Company headquartered in Mumbai, India. AMNSI's operations encompass the entire steel value chain, from the mining and processing of iron ore to the production of finished steel products. As a responsible corporate entity, the Company acknowledges its role in fostering a sustainable future for the planet. AMNSI is dedicated to minimising its environmental impact while generating value for its stakeholders, underscoring its commitment to sustainable development.

To meet the steel requirements of diverse industries such as agriculture, automotive, infrastructure, defence, energy, and many others, its facilities across India produce an extensive range of flat-rolled steel products, encompassing over 600 grades of steel. To support the micro, small, and medium enterprises (MSME) sectors, it has established a comprehensive network of distribution channels under the brand name AM/NS Hypermart, which currently operates 18 retail outlets across India. The Company's robust production and distribution infrastructure enables it to significantly contribute to Bharat's ambition of becoming Atmanirbhar (self-reliant).

Capacity 9.6 MTPA

Target capacity by 2035 40 MTPA CO2 intensity 2.19 T/tcs

Target CO2 intensity 1.8 T/tcs

Global Economic Overview

The global economic landscape in 2023 demonstrated remarkable resilience amidst a backdrop of significant challenges. The year was marked by a notable disinflation process, with inflation rates declining from their peak levels due to favourable demand and supply conditions. Economic growth was buoyed by unexpected increases in government spending, robust household consumption, and a rise in labour force participation. This occurred despite central banks' aggressive interest rate hikes aimed at curbing inflation. The global real GDP saw a cumulative growth of 3.1% over the past year, exceeding earlier forecasts. However, the global outlook for 2024 remains precarious, heavily influenced by persistent geopolitical tensions . Despite these challenges developed economies like the United States stood at 2.5% growth rate. This growth can be attributed to robust labour market conditions, strong consumer spending and supportive fiscal policies. China's economic growth was propelled by substantial government investments in capacity building and bolstered by private consumption driven by wage increases. Concurrently, India sustained a robust growth rate, underpinned by resilient domestic demand, government stimulus measures, and structural reforms designed to enhance productivity.

Global Growth (%)

Particulars	Estimate	Projections
	2023	2024
World output	3.214	3.179
Advanced Economies	1.63	1.741
United States	1.936	2.531
Euro Area	0.427	0.798
Emerging Market and Developing Economies	4.164	4.211
China	5.24	4.642
India	7.827	6.808

Source: IMF, World Economic Outlook Update, April 2024

Outlook (Global)

As AMNSI looks ahead, the global economic outlook for 2024 remains cautiously optimistic, demonstrating resilience despite ongoing challenges. The IMF World Economic Outlook forecasts a global economic expansion of 3.1% through 2025. Advanced economies are anticipated to experience a slight slowdown in growth in 2024, with a subsequent recovery in 2025, particularly within the eurozone, which is expected to bounce back from its recent sluggish performance. Emerging markets and developing economies are projected to maintain steady growth, although regional disparities may continue. Nonetheless, growth risks persist, including geopolitical tensions, supply chain disruptions, and enduring inflationary pressures. Inflation is likely to follow a downward trajectory, with global headline inflation forecasted to decline to 5.8% in 2024 and further to 4.4% in 2025. Despite these uncertainties, focused efforts on managing inflation and implementing prudent fiscal policies will be essential for sustaining economic stability and promoting long-term growth.

Indian Economic Overview

Over the course of the last decade, India has showcased a robust and resilient growth story driven by perseverance, ingenuity, and vision. India continues to write its growth story surpassing the UK to become the fifth-largest economy, marking a significant recovery milestone post the COVID-19 pandemic. The economy displayed remarkable resilience, achieving a robust growth rate of 7.6% in FY 2024, surpassing the performance of the previous fiscal year. This growth was fueled by strong domestic demand, favourable government policies, and positive trends across key sectors. The construction sector, in particular, saw a notable increase of 9.6% in FY 2024 compared to the previous year, making a significant contribution to the overall GDP growth. Similarly, the manufacturing sector, a crucial part of the industrial index, recorded a 5.5% growth in FY 2024 over the

1 Report: IMF: World Economic Outlook: April 2024 previous year. The index of industrial production also showed a positive trend, reaching 159.2 in March 2024. The combined efforts of the construction sector, manufacturing, and other industries played a pivotal role in driving industrial growth and contributing to the economy's upward trajectory.

In terms of tax revenue, the gross goods and services tax (GST) revenues for March 2024 reached ₹ 1.78 lakh Crore, the second-highest collection on record, showing an 11.5% year-on-year growth. For FY 2024, the total gross GST collection surpassed ₹ 20 lakh Crore, reflecting an 11.7% increase compared to the previous year. On the inflation front, retail inflation eased to 4.85% in March 2024, as indicated by the consumer price index (CPI) data. This moderation in inflation signifies stable price levels, creating a conducive environment for sustained economic growth. The easing aligns with the Reserve Bank of India's (RBI) strategy of maintaining the status quo on key policy rates to curb inflation, underscoring the importance of achieving the long-term target of 4% inflation.

India's innovation landscape is also thriving, with the country ranked 48th in the Global Innovation Index 2023 and 40th in the number of scientific publications globally. March 2024 saw the second-highest monthly GST revenue collection at ₹ 1.78 lakh Crore (US$ 21.35 Billion). From April 2000 to December 2023, cumulative FDI equity inflows stood at US$ 971.52 Billion. Industrial production indices for February 2024 indicate strong performance across mining, manufacturing, and electricity sectors. Retail inflation was recorded at 5.69% in December 2023, while FII inflows from April to July 2023-2024 were ₹ 80,500 Crore (US$ 9.67 Billion). Wheat and rice procurement during RMS 20FY 2025 was estimated at 262 LMT and 385 LMT, respectively, with a combined stock in the Central Pool at over 579 LMT.

These developments highlight India's dynamic economic environment, characterised by strong growth prospects, robust domestic demand, and a favourable investment climate. With substantial government spending, thriving sectors, and promising growth projections, India continues to attract significant investment and positions itself as a key player in the global economy.

Outlook (India)

India's GDP took a big leap on Leap Day in 2024: with GDP growth reaching 8.4% in the third quarter, surpassing all expectations. This robust growth was primarily driven by strong private investment spending, which grew by 10.6% year-over-year. High government capital expenditure over the past few years has successfully crowded in private investments, setting the stage for a strong private capital expenditure cycle. Despite global geopolitical tensions and modest global growth, India's resilient domestic demand and improved private consumption have significantly contributed to this growth.

The nation is poised to maintain its position as one of the strongest economies in Asia and the fastest-growing large economy globally. With robust domestic demand, increased public spending, a conducive business environment, and favourable investment inflows, GDP growth is projected to reach 7% in FY 2025, according to the RBI MPC's forecast. Sustained efforts in infrastructure development and economic reforms are essential for maintaining long-term growth momentum. Despite ongoing geopolitical tensions, India aims to leverage its strategic partnerships to enhance its standing among emerging economies and influence global policies.

Government Initiaves

The Indian government is committed to introducing and implementing reforms and making it easier for companies to do business. Manufacturing and Infrastructure continue to remain the key focus areas on which the government is concentrating. It plans to reboot India's infrastructure cycle using the three-pronged strategy of emphasising asset creation (NIP), asset recycling (NMP) and integrated planning (Gati Shakti).

- **Capital outlay**

  The Central government increased capital outlay by 33% to ₹ 10 lakh Crores in Budget 2023-2024. This is viewed as a positive boost to infrastructure and construction companies. Indian Government is committed to providing long-term sustainable economic growth and infrastructure development plays a key role in achieving this growth.

- **Urban Infrastructure Development Fund (UIDF)**

  The Union Budget has proposed the establishment of an Urban Infrastructure Development Fund (UIDF) to develop urban infrastructure in tier II and III cities using the priority sector lending shortfall and an allocation of ₹ 10,000 Crore per year. This initiative is expected to enhance connectivity, leading to an increase in demand for housing in these up-and-coming cities.

- **Pradhan Mantri Awas Yojana**

  Pradhan Mantri Awas Yojana (Housing for all) is a government initiative launched in 2015 aimed at providing affordable housing to eligible beneficiaries by 2024. The programme has two components: PMAY (Urban) and PMAY (Gramin), offering financial assistance to urban poor households and rural households, respectively. It provides credit-linked subsidies and interest subsidies at 6.50% p.a. to make housing more affordable. PMAY has been successful in providing affordable housing to millions of beneficiaries, particularly economically weaker sections, low-income groups, and women. The Budget 2023-2024 allocated ₹ 79,000 Crore towards the initiative to further bolster growth in the segment.

- **Smart Cities**

  The Smart Cities Mission is a government initiative launched in 2015 aimed at developing 100 cities in India into smart cities. The mission focuses on developing sustainable and inclusive urban infrastructure with the use of technology and innovation to improve the quality of life of citizens. The Central Government allocated ₹ 16,000 Crore to drive the initiative ahead.

1 Report: World Economic Situation and Prospects 2024 by United Nations Dept Economic and Social affairs
3 Article: Deloitte Global Economics Research Center, April 2024

- **Production Linked Incentive (PLI) scheme**

  The Production Linked Incentive (PLI) Scheme aims to promote domestic manufacturing and reduce dependence on imports by providing financial incentives to eligible companies. It covers various sectors, including electronics, pharmaceuticals, automobiles, and textiles, among others. The scheme is expected to boost economic growth, create job opportunities, and enhance India's competitiveness in global markets, in line with the Atmanirbhar Bharat initiative's goal of achieving self-reliance.

  In the Union Budget 20FY 2025, a sum of ₹ 8,083 Crore has been allocated PLI schemes, with most of the funding being directed towards large-scale production in electronics manufacturing, pharmaceuticals, automobile and automobile components, as well as food processing.

- **Gatishakti - a National Master Plan for Multi-modal Connectivity – Logistics & Transport Network**

  PM Gati Shakti National Master Plan is a ₹ 100 lakh Crore project launched by the Indian government to develop holistic infrastructure in India. The PM Gati Shakti scheme targets seamless multimodal connectivity to facilitate easy movement of goods and people, improved prioritisation, optimal usage of resources, timely creation of capacities, and resolution of issues such as disjointed planning, standardisation, and clearances. The goal of the plan is to make products manufactured in India more competitive by cutting down logistics costs and improving supply chains.

- **National Monetisation Pipeline (NMP)**

  The National Monetisation Pipeline (NMP) is a plan developed by NITI Aayog in consultation with infrastructure line ministries to monetise the core assets of the central government, with an estimated potential of ₹ 6 lakh Crores over four years from FY 2022 to FY 2025. The plan aims to engage the private sector in unlocking value in brownfield projects, without transferring ownership of the projects. The funds generated from the monetisation will be used for infrastructure creation across the country.

Steel Industry

Steel is one of the world's most essential materials. It is fundamental to every aspect of one's life, including construction, transportation, machinery, appliances, and packaging. The steel industry plays a vital role in the global economy and significantly impacts employment, trade, infrastructure development, and the growth of other industries. However, it also faces multiple challenges, including environmental concerns, fluctuating demands and raw material prices, and intense competition.

Global steel demand is forecasted to rise by 1.7% to 1.793 Billion metric tons in 2024 , with further growth anticipated in 2025, according to the World Steel Association. India is expected to be the primary driver of this demand growth, as Chinese demand continues to decline. After experiencing two years of decline and significant post-pandemic market volatility, the global steel industry is showing signs of stabilising and entering a growth trajectory for 2024 and 2025, as highlighted in the association's statement.

India continues to shine in the global steel industry, with steel demand projected to grow by a robust 8.2% in 2024. This outpaces the global growth rate of 1.7%, as per the latest Short Range Outlook from the World Steel Association . India is the world's second-largest producer of crude steel, with an output of 125.32 MT of crude steel and finished steel production of 121.29 MT in FY 2023. India's steel production is estimated to grow 4-7% to 123-127 MT in FY 2024 . The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.

The steel industry, along with its associated mining and metallurgy sectors, has witnessed significant investments and developments in recent years. According to data released by the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted FDI inflows of US$ 17.46 Billion between April 2000 and December 2023.

In FY 2022, steel demand was projected to rise by 17% to 110 Million tonnes , driven by increasing construction activities. In a notable development in October 2023, the Government e-Marketplace (GeM), India's national public procurement platform, signed a memorandum of understanding (MoU) with the Indian Steel Association (ISA). This partnership aims to integrate all ISA members onto the GeM platform as sellers, fostering a diverse and inclusive business environment irrespective of the size of the enterprises.

Additionally, in May 2023, the ISA announced an agreement with the ASEAN Iron and Steel Council (AISC) to explore new avenues for growth and sustainability within the steel sector. These initiatives underscore the dynamic advancements and collaborative efforts shaping the future of the steel industry.

4 Report: Global steel demand to return to growth in 2024, says World Steel by Reuters

5 Report: WSA 2024

6 Report: Steel Industry Report IBEF

7 Report: IBEF March 2024 Indian Steel Industry

8 Report: The Indian steel industry: Growth, challenges and digital disruption by PWC & ISA

Growth Drivers

Construction sector

The sector includes physical infrastructure (excluding railways) and real estate, and contributes roughly 62% of India's steel use or steel demand. The sector grew by 8.6% in 2018. Although growth is expected to slow down to 5.4% in 2019, the sector is again expected to pick up in 2020 and beyond, growing by around 7% till 2024. India's total construction investment is likely to increase by 50% over the next 5 years. Overall, the infrastructure segment is likely to grow by 9–10% per year, mainly driven by road projects and urban infrastructure. All these are expected to significantly boost steel demand directly and indirectly. For example, enhanced road construction leads to enhanced demand for steel crash barriers. Further, the real estate sector, which has been suffering from inventory overhang in the last few years, is expected to pick up pace in the coming years, especially from the affordable housing segment. The urbanisation rate in India is currently around 33% and is expected to rise to 40% by 2030–31. This translates to 90 Million people (or twice the population of Argentina) moving from rural to urban areas. Consequently, the demand for housing and, therefore, growth in real estate in urban and semi-urban areas is expected to rise in the medium to long term.

Railways

This sector, which contributes 3% of steel demand, is growing at a fast pace. It grew by 13.4% in 201814 and is expected to grow by more than 20% in 2019.15 Projects like 100% track electrification (electrification of 16,540 track km by 2021–22), dedicated freight corridors (of over 3350 km) connecting industrial hubs in western and eastern India and high-speed rail corridors are expected to boost steel demand significantly.

Automobile

The Indian automotive industry, the fourth largest in the world, contributes approximately 9% to the country's steel demand. India leads globally as the largest manufacturer of two-wheelers, three-wheelers, and tractors, ranks fourth in passenger vehicle production, and seventh in commercial vehicle production. Two-wheelers dominate the market with an 81% share, while passenger vehicles account for 13%. The sector is predominantly oriented towards the domestic market, with over 80% of sales occurring within India.

Despite rapid growth in recent years, the automotive sector experienced a slowdown in 2019, with all sub-segments witnessing declines. However, growth normalisation is anticipated in 2020. The automotive industry, including component parts, is projected to exceed USD 250 Billion by 2026, with auto and auto component exports expected to grow at a CAGR of 3% until then.

The Government of India's Automotive Mission Plan 2016-26 (AMP 2026), announced in 2015, outlines a vision for the industry's sub-segments in terms of size, global footprint, and technological advancement. The plan aims to ensure sustained growth and elevate India to the level of global automotive leaders. Consequently, steel demand from the automotive sector is expected to remain strong despite the temporary downturn. However, the Indian government's significant emphasis on electric vehicles, which require less steel due to fewer components, may impact future steel demand in this sector.

Capital Goods

The capital goods sector contributes about 15% to India's steel demand, with machinery and equipment being the most prominent sub-segments. This sector includes construction and earth-moving machinery, plant machinery, heavy electrical machinery, and machine tools, all of which are dependent on construction, mining, and various industries. The capital goods sector relies heavily on economic growth and the performance of the secondary sector.

Machinery and equipment account for approximately 23% of total manufacturing and about 4% of India's total gross value added (GVA). However, the sector's growth has been uneven and heavily reliant on imports, especially for large machinery. This dependency is due to technological gaps, low acceptance of domestically manufactured products, lower capacity utilisation, weak support infrastructure, and inadequate R&D spending.

Since the beginning of 2018, economic and industrial growth in India has slowed down. Although the capital goods sector grew by 6.4% in 2018, it was expected to fall below 1.5% in 2019 due to liquidity concerns, particularly in the SME segment, and reduced new investments. The sector also faced challenges from falling tariffs in solar and wind energy, impacting project implementations. However, recovery is anticipated in 2020.

Business Overview

AMNSI stands as the largest integrated steel producer in western India and one of the few key domestic flat steel producers. With a crude steel capacity of 9.6 Million tonnes per ton of crude steel (MnT/tcs), its facilities offer a comprehensive range of flat-rolled steel products, including high value-added items. Strategically located in Hazira, Gujarat—a major economic hub—the Company's principal site ensures proximity to deep draft ports in Gujarat (West), Odisha (East), and Andhra Pradesh (South-East). This strategic positioning allows for the efficient transport of raw materials and finished goods. AMNSI's operations are further bolstered by pellet plants with direct, cost-effective access to captive iron ore mines in resource-rich eastern India, boasting a total iron ore pellet capacity of 20 Mtpa across Vizag and Paradip.

AMNSI's integrated operations are designed to ensure raw material security, featuring the largest pellet capacity in India at 20 Mtpa. The Company's international footprint includes being the largest private sector producer of Cold Rolled and Galvanised Steel in Indonesia, alongside a service centre in the UAE. The connectivity provided by its slurry pipeline and strategic plant locations enhances operational efficiency. Hazira, one of India's largest single-location steel plants, benefits from proximity to ports, facilitating the seamless movement of goods. The Company's facilities include service centres in key industrial locations such as Pune, and have access to high-quality iron ore fines as well as significant quantities of low-grade fines. AMNSI's operational assets are further supported by a captive power plant and various other infrastructure assets.

Located in Gujarat, Hazira is a leading manufacturing hub known for its business-friendly, stable policy environment, contributing 8% of India's GDP and featuring low unemployment. Hazira serves as an industrial trans-shipment hub in Surat, strategically placed near major steel demand centres. The plant boasts sophisticated inter-plant logistics, including a captive deep-water port and rail routes. Raw materials are unloaded in a fully mechanised port-handling facility, ensuring efficient transportation. The production process at Hazira includes the use of Direct Reduced Iron (DRI) and Hot Briquetted Iron (HBI), which are environmentally friendly. The facility houses a 1.7 Mtpa Blast Furnace, a 1.7 Mtpa Corex unit, a 6.8 Mtpa HBI/DRI facility, a 9.6 Mtpa Electric Arc Furnace (EAF)/Conarc unit, a 3.6 Mtpa Hot Strip Mill (HSM), and a 3.5 Mtpa Compact Strip Production (CSP) mill. This comprehensive setup ensures AMNSI's ability to meet diverse steel demands while maintaining high standards of quality and sustainability.

(₹/Cr.)

₹ 53,399

Revenue in FY 2023

₹ 52,686

Revenue in FY 2024

₹ 14,978

EBITDA in FY 2024

(₹/Cr.)

₹ 8,407

EBITDA in FY 2023

₹ 6,964

Net Profit FY 2024

₹ 2,187

Net Profit FY 2023

(₹ Crore)

Particulars	March 24	March 23
Capital Work-in-Progress	14,009.73	4,118.85
Intangible Assets under development	40.26	52.38
Total CWIP	**14,049.99**	**4,171.23**

Towards low carbon steel

India has set a target to achieve net zero emissions by 2070. In alignment with this goal, India has crafted a strategic roadmap to meet its Nationally Determined Contributions (NDCs) over the coming decades. These commitments highlight AMNSI's dedication to sustainable development and environmental stewardship, with key focus areas including achieving 50% of India's cumulative electric power installed capacity from non-fossil fuel sources by 2030 and reducing the emission intensity of its GDP by 45% compared to 2005 levels. This strategic approach underscores India's commitment to a cleaner, more resilient future, ensuring that its economic growth is both sustainable and environmentally responsible. AMNSI is dedicated to contributing significantly to these national goals, driving innovation and operational excellence across the industry. As one of the leading steel makers of the country it is imperative that the Company aligns its business operations to the sustainability goals of the country.

AMNSI is dedicated to advancing its production of low-carbon steel and actively contributing to India's growth story. The Company's ongoing efforts aim to positively impact the planet through infrastructure development, economic growth, livelihood generation, and community projects. However, AMNSI remains acutely aware of the environmental challenges inherent in steelmaking operations. Demonstrating its commitment to mitigating these impacts, the Company has published its inaugural Climate Action Report 2024. This report details the significant and immediate steps it is taking, and plans to take, to decarbonize its operations and lead the way in reducing carbon emissions within the steel industry in India. AMNSI is pleased to announce that it is in the process of integrating the principles and recommendations outlined in the Resource Efficiency and Circular Economy Industry Coalition into its strategy and operations as recommended by GoI in the G20 report. The Company's strategy revolves around utilising advanced recycling technologies to maximise the recovery of steel scrap and by-products, fostering cross-sector collaborations to repurpose waste materials, and investing in innovative technologies to reduce its environmental footprint. By partnering with other industries, the Company aims to create a closed-loop system that minimises waste and maximises resource use.

Steelmakers increasingly recognize that decarbonization is essential for future commercial success. It not only helps meet the growing demand for low-carbon steel but also enhances operational efficiency. Research indicates a broad consensus on the pathways to decarbonize steel globally and in India, with increasing confidence in their viability. Five major pathways have emerged as particularly promising:

1. *Operational efficiency*
2. *Circular economy for steel*
3. *Scaling up low carbon fuel sources*
4. *Greener grid*
5. *Net-zero technology innovations: hydrogen and Carbon Capture, Utilisation, and Storage (CCUS)*

Each of these approaches presents distinct promises and challenges. Some rely on nascent technologies that have yet to be scaled, while others depend on resources and energy that are not uniformly available worldwide, making them economically unviable for many regions. As countries and companies work towards decarbonizing steel, the emphasis on each lever will significantly depend on the local context.

However, one thing is clear: the steel sector cannot rely on a single technology or pathway to achieve decarbonization. Progress must be made on multiple fronts simultaneously, and the sector must remain agile to swiftly respond to setbacks and successes as it moves forward.

AMNSI's Strategy:

To support India's growth and meet the rising steel demand, the Company is set to expand its operations and production over the next decade. As it develops this additional capacity, the Company's goal is to reduce its emissions intensity by 20% by 2030, to that of, year 2021.

The three key areas, essential for AMNSI to achieve this goal:

1. *Operational improvements*
2. *Clean electricity*
3. *Increased use of scrap steel (Bringing Circularity in Steel)*

Focus Levers towards low carbon steel

Operational Improvements

As part of AMNSI's ongoing capacity expansion project, it is deploying technologies to enhance energy efficiency and drive operational improvements, targeting a 1-2% reduction in emission intensity. Key initiatives include increasing capacity utilisation by debottlenecking processes and ramping up efficient production capacity at Hazira to 8.6Mt by the end of 2024, with an estimated capex of US$0.8 Billion. The Company will employ the best available BF-BOF processes and technologies, utilising higher-grade iron ore and coking coal, and implementing energy recuperation wherever possible. Successful tests to inject cleaner gases into the production process will be scaled up, and new equipment will be integrated with advanced digitalization technologies to maximise fuel and material efficiency through improved data analytics. The Company's blast furnaces will be prepared for new technologies that significantly improve energy use. Throughout this process, AMNSI will leverage the extensive experience and mature R&D capabilities of its parent companies, who are also making significant efforts to enhance their operational efficiencies.

Green Grid

AMNSI is committed to reducing scope 2 emissions by transitioning to clean electricity, specifically solar and wind power. It aims to reduce the emissions intensity of its production process by 11-12% this decade, making it the most significant component of the 2030 decarbonization roadmap. The Company's first step is the development of a 975 MW hybrid renewable energy project in Alamuru Village of Panyam Mandal and other villages in Kurnool District, Andhra Pradesh. This project, owned by AM Green Energy Private Limited (AMGEPL), includes 661 MW of solar power and 314 MW of wind power, integrated with a pumped hydro storage facility to ensure round-the-clock power. The US$0.7 Billion investment spans ~3,500 acres and is expected to be completed by mid-2024, providing over 20% of Hazira's electricity needs from renewable sources and reducing its carbon emissions by 1.5 Million tonnes annually. Power will be transmitted to Hazira via 400 kV transmission lines connected to the interstate transmission system (ISTS), contributing to India's green grid capacity. AMNSI plans to extend this momentum to achieve 100% renewable grid electricity by 2030, with the availability of suitable land and transmission infrastructure being crucial to success.

Increased Scrap Use

Accelerating decarbonization by enhancing scrap utilisation in steelmaking to boost secondary source production. Currently facing a shortfall in scrap supply, which is expected to widen by 2030, India must overcome challenges such as inadequate collection and processing infrastructure and the quality of raw materials used. Despite these limitations, the Company believes significant improvements can be made. AMNSI aims to increase its scrap mix from the current 3-5% to over 10% by 2030 through a comprehensive three-phase roadmap. Phase 1 involves upgrading existing facilities and establishing a new scrap yard and processing unit at a major plant, leveraging advanced practices to boost productivity. Phase 2 will see the setup of new industrial scrap processing centres in strategic locations near industrial and automotive clusters. Phase 3 focuses on sourcing household scrap and collaborating with customers to build a circular economy for steel. As a net importer of scrap, with approximately 8 Million tonnes imported last year, India faces increasing global supply pressure. AMNSI proposes key government policies to improve domestic scrap creation, particularly in major sectors like shipbuilding.

SCOT Analysis

- **Strengths**
  - o Offers a diverse and value-added portfolio of premium products, resulting in enhanced customer satisfaction and loyalty
  - o Possesses the ability to increase production capacity at a lower capital outlay due to economies of scale
  - o Boasts a robust and integrated technology system that strengthens the entire supply chain management, resulting in economical purchases
  - o Has a proven track record of financial performance.

- Challenges
  - Increased input costs, such as the cost of freight, power, and fuel may increase the overall cost of production and result in lower gross margins and profitability.
  - Poor quality of raw material may hamper productivity.
- Opportunities
  - Possible business opportunities with government initiatives such as GatiShakti, National Infrastructure Plan and Smart Cities
  - Can leverage the country's increasing demand for automobile and infrastructure, especially due to urbanisation and an increased population
  - Increased business possibilities due to the government's increasing focus on the improvement of rural and primary sector infrastructure
- Threat
  - Unforeseen events like Covid can hamper the operations of the Company
  - Potential geo-political tensions across the world can adversely affect the costs, overall demand, and functioning of the Company
  - In an era of intense and cut-throat competition in the industry, even a minor strategic mistake can result in significant costs.
  - Rising Competition can hinder growth and reduce profit potential

Independent Auditor's Report

To the Members of ArcelorMittal Nippon Steel India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 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 Financial Statements and Auditor's Report Thereon

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 (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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

    (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (h) In our opinion and according to the explanations given to us, no managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

    (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 45 to the standalone financial statements;

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

        iii. There 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, other than as disclosed in the note 43(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(v) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to database by certain users, as described in note 43(xiii) to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where the audit trail has been enabled.

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUY1289

Place of Signature: Mumbai
Date: July 26, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: ArcelorMittal Nippon Steel India Limited ("the Company")

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

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

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management in accordance with a planned programme of verifying them over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5 (a) 2 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except certain immovable properties as indicated below:

Description of property	Gross Carrying value (₹ in Crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Freehold land Located at Hazira admeasuring 81.1707 hectares, 20.4569 hectares, and 22.4905 hectares	491.76	Government of Gujarat	No	2005-2013	The title deeds are in the name of the State Government. The Company acquired these land parcels by paying provisional considerations in earlier years and the land parcels are in possession of the Company. The title transfer in name of the Company is in process.
Freehold land Located at Hazira admeasuring 98.99 hectares	397.30	Erstwhile land owners	No	1990-2020	The title deeds are in the name of the land owners from whom Company acquired these land parcels by paying the agreed consideration in earlier years and the land parcels are in the possession of the Company. The title transfer in name of the Company is in process.
Freehold Land Located at Odisha admeasuring 4.51 hectares	4.32	Erstwhile land owners	No	2021	The Company had acquired certain land parcel alongwith other identified assets from M/s Edelweiss Asset Reconstruction Company Limited under the Securitization and Reconstruction of Financial assets and Enforcement of Security Interest Act, 2002. The title transfer in name of the Company is in process.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in note 43 (x) to the standalone financial statements, the Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company except for facilities which are lien on bank deposits for which no quarterly statements are required to be submitted. The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

	Loans (₹ in Crores)
Aggregate amount granted/ provided during the year	
- Subsidiaries	271.40
- Others	819.59
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	860.45
- Others	115.00

AMNS Ports Vizag Limited (formerly known as Essar Vizag Terminals Limited) became subsidiary of the Company w.e.f. February 27, 2024, hence loans granted before February 27, 2024 are included in Others category in "Aggregate amount granted/ provided during the year" section above. Balance outstanding as on March 31, 2024 out of loans granted during the year is included in Subsidiaries category in above table.

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to firms, Limited Liability Partnerships or any other parties.

(b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to companies are not prejudicial to the Company's interest. Further, the Company has not provided any guarantees or given any security to companies, firms, Limited Liability Partnerships or any other parties during the year.

(c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal and payment of interest are regular except loan aggregating ₹ 2,827.18 crores granted to related parties prior to Resolution Plan of the Company approved by the Hon'ble National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016 and have been fully provided for in earlier years - refer note 14 to the standalone financial statements.

(d) There are no amounts of loans and advances in the nature of loans granted to companies which are overdue for more than ninety days other than the loans fully provided for in earlier years as referred in clause 3(iii)(c) of the Order. The Company has not granted loans or advances in the nature of loans to firms, Limited Liability Partnerships or any other parties and accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company in this regards.

(e) There were no loans or advance in the nature of loan granted to companies, which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. The Company has not granted loans or advances in the nature of loans to firms, Limited Liability Partnerships or any other parties and accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company in this regards.

(f) During the year, 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, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, duty of custom, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of custom, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Unpaid amount (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
Stamp Duty	Demand for stamp duty on merger order	27.71	2023-2024	The Chief Controlling Revenue Authority, Gandhinagar, State of Gujarat

Note: During the year, the Company has deposited ₹ 9.21 Crores under protest in connection with above matter.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. Further, the Company does not have any joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associates. Further, the Company does not have any joint ventures. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company or no fraud on the Company has been noticed or reported during the year. Further, there are certain open whistle blower complaints in relation to which management investigation is in process. To the extent of such ongoing complaints and related investigations, we are unable to comment whether any fraud by the Company or on the Company has been noticed or reporting during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Further, as represented to us by the management, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor / cost auditor in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures, except as mentioned in clause 3(xi)(a) of the Order, in case of pending completion of investigation in certain whistle blower complaints, to that extent, we are unable to comment on the impact, if any, on the standalone financial statements for the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. As fully described in note 43 (xii) of the standalone financial statements, the provisions of section 177 of Companies Act, 2013 were not applicable to the Company for the financial year ended March 31, 2024.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 52 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 period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not required to contribute any amount towards Corporate Social Responsibility considering the past losses and accordingly reporting under clause (xx) of the Order is not applicable for the year.

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUY1289

Place of Signature: Mumbai
Date: July 26, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of ArcelorMittal Nippon Steel India Limited

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

We have audited the internal financial controls with reference to standalone financial statements of ArcelorMittal Nippon Steel India Limited ("the Company") as of March 31, 2024 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

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

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUY1289

Place of Signature: Mumbai
Date: July 26, 2024

Standalone Balance Sheet

as at 31st March, 2024

(₹ in Crores)

	Note No.	As at 31st March, 2024	As at 31st March, 2023
Assets			
Non-Current Assets			
Property, Plant and Equipment	5(a)	32,121.11	32,014.59
Capital Work-in-Progress	5(b)	14,098.80	4,118.85
Other Intangible Assets	5(c)	440.31	438.92
Intangible Assets under development	5(d)	40.65	52.38
Right-of-use assets	48(a)	2,126.31	2,197.29
Financial Assets			
(i) Investments	6(a)	27,838.50	26,726.00
(ii) Loans	7	1,036.88	181.36
(iii) Other Financial Assets	8	2,221.06	2,271.77
Income Tax Assets (Net)		464.17	347.92
Other Non-Current Assets	9	4,615.85	3,732.83
Total Non-Current Assets		**85,003.64**	**72,081.91**
Current Assets			
Inventories	10	10,202.57	9,676.13
Financial Assets			
(i) Investments	6(b)	1,001.15	779.28
(ii) Trade Receivables	11	826.49	1,467.40
(iii) Cash and Cash Equivalents	12	1,893.20	1,079.90
(iv) Bank Balances other than (iii) above	13	5,518.76	4,069.17
(v) Loans	14	144.15	1.28
(vi) Other Financial Assets	15	1,365.66	4,198.13
Other Current Asset	16	1,805.30	1,979.93
Total Current Assets		**22,757.28**	**23,251.22**
Total Assets		**1,07,760.92**	**95,333.13**
Equity and Liabilities			
Equity			
Share Capital	17	25,041.31	25,041.31
Other Equity	18	17,347.59	14,657.19
Total Equity		**42,388.90**	**39,698.50**
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	38,571.00	29,991.86
(ii) Lease Liabilities	48(b)	1,606.49	1,822.97
(iii) Other Financial Liabilities	20	1,430.63	1,563.06
Provisions	21	227.94	183.94
Deferred Tax Liabilities (net)	22	3,386.07	2,373.34
Other Non-Current Liabilities	23	101.75	119.45
Total Non-Current Liabilities		**45,323.88**	**36,054.62**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	24	4,629.52	6,169.79
(ii) Lease Liabilities	48(b)	418.55	423.37
(iii) Buyers Credit / Vendor Financing		2,921.07	2,353.83
(iv) Trade Payables			
Total outstanding dues of micro and small enterprises	25	165.72	175.50
Total outstanding dues of creditors other than micro and small enterprises	25	6,779.78	6,145.79
(v) Other Financial Liabilities	26	4,309.24	3,297.71
Provisions	27	135.56	134.64
Other Current Liabilities	28	688.70	879.38
Total Current Liabilities		**20,048.14**	**19,580.01**
Total Liabilities		**65,372.02**	**55,634.63**
Total Equity and Liabilities		**1,07,760.92**	**95,333.13**

Summary of material accounting policies 2

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Standalone Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Crores)

	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
Income:			
Revenue from Operations	29	57,434.32	53,399.10
Other Income	30	782.91	1,035.10
Total Income		**58,217.23**	**54,434.20**
Expenses:			
Cost of Materials Consumed	31	28,670.93	32,457.12
Purchases of Stock in Trade		266.72	20.87
(Increase)/decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade	32	(54.58)	(215.87)
Power and Fuel	33	6,637.01	7,004.98
Employee Benefits Expense	34	818.78	687.63
Other Expenses	35	6,953.37	5,975.48
Total Expenses		**43,292.23**	**45,930.21**
Profit before Finance Costs, Depreciation and Amortisation, Exceptional Items and Tax		**14,925.00**	**8,503.99**
Finance Costs	36	3,086.75	3,673.31
Depreciation and Amortization Expense	5(e)	2,379.79	2,462.70
Profit before Exceptional items and Tax		**9,458.46**	**2,367.98**
Exceptional Items - Expense (Net)	51	-	652.41
Profit before Tax		**9,458.46**	**1,715.57**
Tax Expense	37		
Current Tax		-	-
Deferred Tax Charge/(Credit)/Charge		2,461.23	(471.38)
Profit after Tax for the year		**6,997.23**	**2,186.95**
Other Comprehensive Income (OCI)	38		
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plans		(23.14)	(9.43)
Fair Value of Equity Instruments through OCI		2.98	0.06
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plans		5.82	2.37
Fair Value of Equity Instruments through OCI		(0.75)	(0.02)
B (i) Items that will be reclassified to profit or loss			
Effective portion of Cash flow hedges		(5,735.17)	(5,192.67)
(ii) Income tax relating to items that will be reclassified to profit or loss		1,443.43	1,306.89
Other comprehensive loss (Net of Tax)		**(4,306.83)**	**(3,892.80)**
Total Comprehensive Income/(Loss) for the year (Net of Tax)		**2,690.40**	**(1,705.85)**
Earning per Share (in Rupees)	49		
Basic [Nominal value of Shares ₹ 10 each (Previous Year ₹ 10 each)]		2.79	0.87
Diluted [Nominal value of Shares ₹ 10 each (Previous Year ₹ 10 each)]		2.79	0.87

Summary of material accounting policies 2

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Standalone Statement of Changes in Equity

for the year ended 31st March 2024

(₹ in crores)

	Share Capital (A)	Other equity								
		Reserve & Surplus					Item of other comprehensive income (OCI)		Total of Other Equity (B)	Total (A+B)
		Capital Reserve	Retained Earnings	Securities Premium Account	Capital Contribution	General Reserve	Effective portion of Cash flow hedges	Fair Value of Equity Instruments		
Balance as on 1st April, 2023	**25,041.31**	**5,534.37**	**(6,372.71)**	**7,814.61**	**1,997.71**	**77.51**	**5,634.06**	**(28.36)**	**14,657.19**	**39,698.50**
Profit for the year	-	-	6,997.23	-	-	-	-	-	6,997.23	6,997.23
Other Comprehensive Income / (Loss) for the year	-	-	(17.32)	-	-	-	(4,291.74)	2.23	(4,306.83)	(4,306.83)
Transfer to Retained Earnings (De-recognition of Fair Value through OCI-Equity Instrument)	-	-	(7.57)	-	-	-	-	7.57	-	-
Total Comprehensive Income for the year	**-**	**-**	**6,972.34**	**-**	**-**	**-**	**(4,291.74)**	**9.80**	**2,690.40**	**2,690.40**
Balance as on 31st March, 2024	**25,041.31**	**5,534.37**	**599.63**	**7,814.61**	**1,997.71**	**77.51**	**1,342.32**	**(18.56)**	**17,347.59**	**42,388.90**
Balance as on 1st April, 2022	**25,041.31**	**5,534.37**	**(8,558.80)**	**7,814.61**	**1,997.71**	**77.51**	**9,519.84**	**(22.20)**	**16,363.04**	**41,404.35**
Profit for the year	-	-	2,186.95	-	-	-	-	-	2,186.95	2,186.95
Other Comprehensive Income (Loss) for the year	-	-	(7.06)	-	-	-	(3,885.78)	0.04	(3,892.80)	(3,892.80)
Transfer to Retained Earnings (De-recognition of Fair Value through OCI-Equity Instrument)	-	-	6.20	-	-	-	-	(6.20)	-	-
Total Comprehensive Income for the year	**-**	**-**	**2,186.09**	**-**	**-**	**-**	**(3,885.78)**	**(6.16)**	**(1,705.85)**	**(1,705.85)**
Balance as on 31st March, 2023	**25,041.31**	**5,534.37**	**(6,372.71)**	**7,814.61**	**1,997.71**	**77.51**	**5,634.06**	**(28.36)**	**14,657.19**	**39,698.50**

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Pritesh Maheshwari
Partner
Membership Number: 118746

Place: Mumbai
Date: 26th July, 2024

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Standalone Cash Flow Statement

for the year ended 31st March, 2024

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024		For the Year ended 31st March, 2023	
A. Cash Flow from Operating Activities				
Profit before Tax		9,458.46		1,715.57
Adjustments for -				
Depreciation and amortization expense	2,379.79		2,462.70	
Dividend Income on Compulsorily Convertible Preference Shares	(64.32)		-	
Loss on sale/write off of Property, Plant and Equipment/ CWIP (Net)	345.92		14.03	
Provision for Impairment of Investment	-		6.20	
Gain Due to Termination of lease	(1.03)		-	
Liabilities/Provision no longer required written back	(28.82)		(133.09)	
Exceptional Items-(Net) (Refer Note 51)	-		652.41	
Finance Costs	3,086.75		3,673.31	
Unrealised portion of Exchange Difference (Net)	7.37		(115.37)	
Interest Income on Deposit with Banks and Others	(459.65)		(488.49)	
Amortisation of Deferred Gain	(17.70)		(17.70)	
Allowance/ write-off for Doubtful Debt/Trade Advances	86.24		1.76	
(Gain)/ Loss on sale of Investments	(172.57)		(388.44)	
(Gain)/Loss On Fair Valuation Of Investments	(2.21)		128.53	
		5,159.77		5,795.85
Operating Profit before working capital changes:		**14,618.23**		**7,511.42**
Changes in working capital:				
Increase in Trade Payables	651.54		1,807.63	
Increase in Buyers' Credit / Vendor Financing	550.65		2,353.83	
(Decrease)/Increase in Other Current / Non Current Financial Liabilities	(184.69)		4.69	
Decrease in Other Current Liabilities	(190.68)		(68.44)	
Increase in Long Term Provisions	20.86		16.98	
Increase in Short Term Provisions	0.92		2.14	
(Increase)/Decrease in Inventories	(526.44)		1,160.95	
Decrease/(Increase) in Trade Receivables	577.80		(102.31)	
Decrease/ (Increase) Current Loans	0.67		(0.83)	
Decrease/(Increase) in Other Current Assets	140.83		(43.18)	
(Increase)/Decrease in Other Current / Non Current Financial Assets	(2,776.95)		970.55	
		(1,735.49)		6,102.01
Cash Generated from Operations		12,882.74		13,613.43
Income Taxes Paid		(116.25)		(101.63)
Net Cash Flow Generated from Operating Activities (A)		**12,766.49**		**13,511.80**
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment,intangible assets, Capital Work-in-Progress (including under development and Capital Advances)	(11,605.45)		(7,781.41)	
Proceeds from Sale of Property, Plant and Equipment/Capital Work-in-Progress	8.65		302.51	
Proceeds from (Purchase)/Sale of Current Investments (net)	(49.96)		3,827.79	
Proceeds from Other Financial receivable	-		2,411.80	
Investment in Subsidiaries & Associates (Net)	(210.03)		(19,960.51)	
Investment in Others (Net)	(896.62)		(2,378.26)	
Interest Received	398.03		554.34	
Loans Given	(975.45)		(20.00)	
(Increase)/Decrease in Deposit with Banks (Net)	(1,411.99)		9,172.29	
Net Cash Flow used in Investing Activities (B)		**(14,742.82)**		**(13,871.45)**
C. Cash Flow from Financing Activities				
Proceeds from Borrowings	7,695.41		-	
Repayment of Borrowings	-		(329.27)	
Net change in Short term Borrowing	(2,545.06)		2,545.63	
Payment towards Interest portion of Lease liabilities	(163.24)		(221.70)	
Payment towards Principal portion of Lease liabilities	(400.11)		(363.13)	
Finance Cost paid	(1,797.37)		(1,261.25)	
Net Cash Flow Generated from Financing Activities (C)		**2,789.63**		**370.28**
Net Increase in Cash and Cash Equivalents (A+B+C)		**813.30**		**10.63**
Cash and Cash Equivalents at the beginning		1,079.90		1,069.27
Cash and Cash Equivalents at the end		1,893.20		1,079.90
Net Increase in Cash and Cash Equivalents		**813.30**		**10.63**

Standalone Cash Flow Statement

for the year ended 31st March, 2024

Notes:

1 The above Standalone Statement of cash flows has been prepared using the "indirect method" set out in IND AS 7 - Statement of Cash Flows.

2 Change in liabilities arising from Financing activities:

a) Borrowings

(₹ in crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Borrowing as at beginning	36,161.65	31,985.42
Borrowing taken	7,695.41	1.91
Repayment of Borrowings	-	(329.27)
Net change in Short term Borrowing	(2,545.06)	2,545.63
Interest accrued	3,141.52	2,525.88
Interest Paid	(1,366.12)	(932.12)
Exchange Variation	113.12	364.20
Borrowing as at closing	**43,200.52**	**36,161.65**

b) For changes in lease liabilities refer note 48(b).

3 Non-cash transactions of Investing and Financing activities :

(₹ in crores)

	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Net (gain)/loss arising on financial assets measured at FVTPL	(2.21)	(128.53)
Addition to Right of use assets (Refer note 48)	298.58	415.06

4 Cash and Cash Equivalents included in the Cash Flow Statement comprise the following Balance Sheet amounts :

(₹ in crores)

	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash Equivalents (Refer Note 12)	1,893.20	1,079.90
Cash and Cash Equivalents at the end of the year	**1,893.20**	**1,079.90**

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

1 Nature of Operations/ Corporate Information

a) ArcelorMittal Nippon Steel India Limited (the "Company", "AMNSI", "AMNS India") (CIN-U27100GJ1976FLC013787) is a public limited Company incorporated in India with its registered office at 27th Km, Surat Hazira Road, Hazira, Dist.-Surat. The Company owns and operates an integrated steel manufacturing facility comprising the unit for manufacturing of flat rolled products at Hazira, a Precoated facility at Pune, Beneficiation facilities at Kirandul and Dabuna, Slurry Pipelines, Pelletisation facilities at Vizag & Paradeep and Mining of iron ore at Keonjhar and Sundargarh. The Company also operates Processing and Distribution centers and Hypermarts at various locations across India.

b) The Standalone Financial Statements were approved for issue on 26th July, 2024 by the Company's Board of Directors.

2 Material Accounting Policies

Basis of Preparation

These standalone financial statements which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act") as amended from time to time. The financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Standalone Financial Statements have been followed. The Standalone Financial Statements are presented in Indian Rupees ('INR') which is functional currency of the Company and and all values are rounded to the nearest crore, except otherwise indicated.

(i) Investment in Subsidiaries and Associates

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates:

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of investee but is not control or joint control over those policies.

Investments in Subsidiaries and Associates are stated at cost in accordance with the option available in Ind AS 27 – Separate financial statements. Where the carrying amount of an investment is greater than it's estimated recoverable amount, it is written down immediately to it's recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between net disposal proceeds or the carrying amount is charged or credited to the Statement of Profit and Loss. Refer note 6 for the list of significant investments.

(ii) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost, less accumulated depreciation, amortisation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Expenditure incurred post capitalisation of the property, plant and equipment, such as repairs and maintenance, is charged to the Statement of Profit and Loss in the period in which the costs are incurred. Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is derecognised.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Capital Work-In-Progress (CWIP)/ Intangible Assets under development

CWIP / Intangible Assets under development is settled at cost, net of impairment losses, if any. All expenditure, including borrowing cost in respect of qualifying assets, incurred during the project construction period, are accumulated and presented as CWIP until the asset is ready for its intended use. Asset under construction is not depreciated. Income earned from investments of surplus borrowed funds during the construction/trial run period is reduced from the CWIP. Expenditure/Income arising during trial run is added to/reduced from the CWIP.

(iii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. An intangible assets is derecognized on disposal, or when no future economic benefits are expected to arise from continued use of the asset. Gains or losses arising from the retirement or disposal of an intangible asset, measured as the difference between the disposal proceeds and the carrying amount of the asset, are recognised as income or expense in the Statement of Profit and Loss.

(iv) Depreciation and Amortisation

Property, Plant and Equipment

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful lives and residual value prescribed in Schedule II to the Companies Act except in respect of following class of assets wherein useful lives are determined based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer warranties and maintenance support etc.

Particulars	Useful life as per Companies Act, 2013 (Years)	Average useful life as per Technical Evaluation (Years)
Plant and Machinery		
Sinter, Rolling Mill and Blast Furnace	20	25
Power Generation Plant	40	37
Buildings	3 to 60	34
Ships and Vessels	20	15
Railway Sidings and Wagons	15	25

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Freehold land is not depreciated. Leasehold land is amortized over the period of lease, except where Leasehold land is acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized. Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefits.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively.

Intangible Assets

Costs relating to softwares, which are acquired, are capitalised and amortised on straight-line method over estimated useful life of 3 to 10 years. Mining assets are amortised using Unit of Production (UOP) method over the expected extraction period. The useful life and the amortisation method for softwares are reviewed at the end of each reporting period and adjusted prospectively.

(v) Impairment of non-financial Assets

The carrying amounts of non-financial assets (property, plant and equipment and other intangible assets) are reviewed at each reporting date, based on internal/external factors, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital which is a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss. If impairment loss is provided, depreciation is calculated on the revised carrying amount of the assets over its remaining useful life.

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

(vi) Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the transporter.

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.

Sale of Goods

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer as per terms of contract, which usually is on delivery of the goods to the transporter at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

Sale of Services

The Company recognise Job work revenue at the point in time when the finished products under job work contracts are transferred to the custody of Principal. Revenue is measured based on the transaction price, which is the consideration adjusted for quality claims, trade allowances, price concessions, refunds, or other similar items in a contract when they are highly probable to be provided. Revenue excludes taxes collected from customers on behalf of the government.

Dividend and interest income

Dividend income is recognised when the shareholder's right to receive payment is established. Interest income is recognised using the effective interest rate method.

(vii) Income Taxes

Current Tax:

Tax expense comprises of current and deferred taxes. Current tax is the amount of expected tax payable or recoverable from based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. While determining the tax provisions, the Company assesses whether each uncertain tax position is to considered separately or together with one or more uncertain tax positions depending the nature and circumstance of each uncertain tax position.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Deferred Tax:

Deferred tax is measured, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. [Refer Note 3(b)]

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 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.

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

(viii) Inventories

Raw Materials, Production Consumables, Stores & Spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold above cost. Cost is determined on a Weighted Average basis. Work-in-Progress and Finished Goods are valued at lower of cost and net realisable value. By-products are valued at net realisable value. Cost includes direct material, labour and a proportion of manufacturing overheads based on normal capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and cost to make the sale.

(ix) Financial Instruments

Financial assets and Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. 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 profit and loss) are added to or deducted from fair value of financial assets or financial liabilities, on initial recognition. Transaction costs directly attributable to acquisition of financial assets or financial liabilities at fair vale through profit or loss are recognised immediately in the statement of profit and loss.

Financial Assets:

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and

(b) those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss or other comprehensive income. For investments in debt instruments, it depends on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment measured at Fair value through Other Comprehensive income. The Company reclassifies debt investments only when its business model for managing those assets changes.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

(a) **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method.

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

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

Equity instruments

The Company subsequently measures all equity investments (except Investment in Subsidiaries and Associates) at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in statement of profit and loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset. In respect of trade receivables that are within the scope of Ind AS 115, the Company has used the practical expedient as permitted under Ind AS 109 and followed the simplified approach for computation of impairment allowances. For other than trade receivable, the Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognised only when:

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where transfer of an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the substantial risks and rewards of ownership of the financial asset has not transferred, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income (OCI) is reclassified from the equity to the statement of profit and loss (P&L).

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

financial assets which are equity instruments measured at fair value through other comprehensive income and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company determines change in the business model as a result of external or internal changes which are significant to the company's operations.

Financial Liabilities

Initial recognition & subsequent measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest rate method, where time value of money is significant.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss. For non-held for trading liabilities that are designated at Fair value through profit and loss, the amount of change in the fair value of financial liability that is attributable to the changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. Changes in fair value that are attributable to financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to the statement of profit and loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

(x) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is also the company's functional currency.

Initial Recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at reporting date exchange rates are generally recognised in the Statement of Profit and Loss. They are recorded in OCI if they relate to qualifying cash flow hedges.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Measurement of Foreign Currency Monetary Items at Balance Sheet Date

Foreign currency monetary items are reported using the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(xi) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split and reverse share split (consolidation of shares).

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

(xii) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when there is a present legal or constructive obligation in respect of which a reliable estimate can be made as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Onerous Contracts:

An onerous contract is considered to exist where the company has a contract under which unavoidable cost of meeting the obligations under contract exceeds the economic benefit expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provision.

(xiii) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand and at bank in current accounts and term deposits, which are not pledged, with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xiv) Derivative Instruments and Hedge Accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to price risk in raw material, finished products and balance sheet exposure. Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Company designates certain hedging instruments, as either fair value hedges, cash flow hedges or hedges of net investments in foreign currencies. Hedges of commodity price risk are accounted for as cash flow hedge. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item, transaction and nature of the risk being hedged. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging

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instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

When hedge accounting is applied:

For cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is ultimately recognised in the statement of profit and loss.

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

Mark to market gains and losses on forward contracts outstanding at the balance sheet date are recognised in the statement of profit and loss.

(xv) Employee Benefits

Short term employee benefits

Liabilities for wages and salaries, including any non-monetary benefits that are expected to be settled within the next 12 months from the end of the reporting period in which the employees render the related service are recognised as employees cost up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefits –

Compensated Absences

Provision for compensated absences is determined based on actuarial valuation. Liabilities recognised in respect of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Post-employment Benefits

Provident Fund

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective funds.

Gratuity

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

(xvi) Borrowing Costs

Borrowing cost in ordinary course of business is recognised as an expense in the period in which these are incurred. Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of cost of such asset up to the date the assets are ready for their intended use. All expenditures, including interest cost during the project construction period, are accumulated and presented as Capital Work-in-Progress until the assets are ready for intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. In case if the company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitlisation are determined by applying a capitalisation rate to the expenditures on that asset. Borrowing Cost includes exchange

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for the year ended 31st March, 2024

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

(xvii) Leases

Where the Company is the Lessee

Effective 1st April, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. The Company assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

On the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and where the value of underlying assets is immaterial (low value leases). For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Years
Leasehold land	3 to 99 years
Leasehold building	2 to 60 years
Leasehold plant & machinery	2.5 to 15 years

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the Company of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Where the Company is the Lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating lease are included in property, plant and equipment. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss. Contingent rents are recognised as revenue in the period in which they are earned.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right

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to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance lease when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance lease are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(xviii) Mining, Exploration and Development Expenditure

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less amortisation and impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, Plant and Equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently.

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

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

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

Mining assets are amortised using unit of production (UOP) method over the expected extraction period.

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalized asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and / or other agreements are reviewed periodically. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

(xix) Measurement of EBIDTA

The Company has elected to present earnings before finance costs, depreciation and amortisation expenses, exceptional items and taxes (EBIDTA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBIDTA on the basis of Profit /(Loss) for the period and does not include finance costs, exchange variation and derivative losses, depreciation and amortisation expenses, exceptional items and taxes.

(xx) Current and Non-Current classification

All the assets and liabilities in the Balance Sheet are classified as current and non-current based on the below mentioned factors except deferred tax assets and liabilities which is always classified as non-current. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

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- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

(xxi) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 into account the characteristics of asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(xxii) Contract Balances

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The amount recognised as contract assets is reclassified to trade receivables once the amounts are billed to the customer as per the terms of the contract. Contract assets are subject to impairment assessment.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due)

Contract liabilities:

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

(xxiii) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. Refer Note 41 for segment information presented.

(xxiv) Buyer's Credit / Vendor Financing

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as buyers' credit / Vendor Financing and disclosed on the face of the balance

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sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to buyer's credit / Vendor Financing by the Company is treated as an operating cash outflow reflecting the substance of the payment.

(xxv) Government Grant

Government grants are recognised if there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the Statement of Profit and Loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

(xxvi) Business Combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company and fair value of any assets or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed in the period in which the costs are incurred and services are received.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their acquisition date fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements, lease liabilities under Ind AS 116 and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill.

Any gain on a bargain purchase is recognised in other comprehensive income and accumulated in equity as Capital Reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in future are discounted to their present value as at the date of exchange. The discount rate used is entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Refer Note 54 – Business Combinations for further details.

(xxvii) Exceptional Items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

Refer note 51 - Exceptional Items for further details.

3 List of critical estimates and judgments:

The preparation of Financial Statements in conformity with Ind AS which requires management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities and contingent assets at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are

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recognised in the periods in which the results are known or materialised.

a) **Assessment of significant influence**

An entity is said to be an associate of an investor entity when the latter has significant influence over the former. There is a rebuttable presumption that significant influence exist if an investor holds 20% or more voting rights in the investee entity and vice versa. However demonstration of significant influence over an entity is a matter of judgment and is not always evident from the percentage of voting rights.

b) **Recognition of deferred tax assets for unused tax losses and unabsorbed depreciation**

Deferred Tax Assets (DTA) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. (Refer note 22)

Recognition of deferred tax asset necessarily involves significant degree of judgement and estimation in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Recoverability of deferred tax and other income tax assets The Company has carry forward tax losses and unabsorbed depreciation that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

c) **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. (Refer note 47)

d) **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) **Contingent liabilities**

Contingent liabilities may arise in the ordinary course of business in relation to the claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and use of estimates regarding the outcome of future events. While ascertaining the possible outcome of contingencies, the management of the Company exercises judgements basis evaluation of the judicial pronouncements and/or legal opinions from an independent expert. (Refer note 45)

f) **Useful lives of property, plant and equipment and intangible assets**

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

g) **Assessment of potential voting rights / control:**

The company evaluates the potential voting rights arising from the convertible instrument subscribed considering the nature of the instrument, the benefits or deterrence in conversion, operational barriers/incentives for conversion of the instrument into equity shares in accordance with the requirement of IND AS 110 [Refer note 6 (a) (ii)]

h) **Fair Valuation of Financial Instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility, forward curve etc. Changes

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in assumptions about these factors could affect the reported fair value of financial instruments.

i) **Revenue from Contract with Customers**

The Company estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates. The Company's expected volume rebates are analysed on a per customer basis for contracts that are subject to volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's rebates entitlement and accumulated purchases to date.

j) **Impairment of Non-Financial Assets**

Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include changes resulting from market and economic environment, including internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal environment. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information.

Impairment exists when the carrying value of an asset or cash generating unit, exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use has been calculated by DCF model.

k) **Provision for Asset Retirement Obligation**

Provision for asset retirement obligation are estimated case -by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

l) **Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has certain lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

m) **Leases - Estimating the incremental borrowing rate**

The Company uses the interest rate implicit in the lease where it is determinable in the lease agreement. In cases where the implicit rate is not determinable, it uses its incremental borrowing rate (IBR) to measure the lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available.

4 Application of new and amended standards

(A) New and revised standards

The Company has adopted, with effect from 01 April 2023, the following new and revised standards. Their adoption has not had any significant impact on the amounts reported in the standalone financial statements

1. Amendment to Ind AS 1 Presentation of financial statements: The amendment requires disclosure of material accounting policies rather than significant accounting policies.

2. Amendment to Ind AS 12 Income Taxes: The amendment clarifies application of initial recognition exemption to transactions such as leases and decommissioning obligations.

3. Amendment to Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors: The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors.

(B) Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, up to the date of issuance of the Company's standalone financial statements.

5(a) Property, Plant and Equipment

(₹ in crores)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Ships and Vessels	Railway Sidings and Wagons	Aircraft	Total
Cost/Deemed Cost											
At 1st April 2022	3,792.83	4,773.53	39,998.06	25.76	25.07	49.74	124.90	-	65.78	4.58	48,860.25
Additions	327.46	60.03	1,640.81	3.60	8.89	16.52	18.09	298.74	4.40	-	2,378.54
Disposals	-	2.14	49.03	1.19	2.61	1.05	1.09	298.74	-	-	355.85
At 31st March 2023	**4,120.29**	**4,831.42**	**41,589.84**	**28.17**	**31.35**	**65.21**	**141.90**	**-**	**70.18**	**4.58**	**50,882.94**
Additions	1,545.77	86.11	609.50	2.97	6.92	12.90	2.38	20.59	-	-	2,287.14
Disposals	-	47.83	419.99	-	0.01	0.37	-	-	0.29	-	468.49
At 31st Mar 2024	**5,666.06**	**4,869.70**	**41,779.35**	**31.14**	**38.26**	**77.74**	**144.28**	**20.59**	**69.89**	**4.58**	**52,701.59**
Accumulated Depreciation/Impairment											
At 1st April 2022	482.83	1,113.38	15,737.18	15.41	10.79	15.54	16.50	-	14.62	2.66	17,408.91
Charge for the year	-	159.55	1,790.23	1.50	3.45	12.27	13.32	3.31	2.76	0.38	1,986.77
Reversal of Impairment (Refer note 51)	482.83	-	-	-	-	-	-	-	-	-	482.83
Disposals	-	0.72	35.60	1.02	2.40	0.55	0.90	3.31	-	-	44.50
At 31st March 2023	**-**	**1,272.21**	**17,491.81**	**15.89**	**11.84**	**27.26**	**28.92**	**-**	**17.38**	**3.04**	**18,868.35**
Charge for the year	-	169.35	1,763.35	2.05	4.94	14.39	14.83	0.81	2.89	0.38	1,972.99
Disposals	-	22.35	238.13	-	0.01	0.36	-	-	-	-	260.85
At 31st Mar 2024	**-**	**1,419.21**	**19,017.03**	**17.94**	**16.77**	**41.29**	**43.75**	**0.81**	**20.27**	**3.42**	**20,580.49**
Net book value											
At 31st Mar 2024	**5,666.06**	**3,450.49**	**22,762.32**	**13.20**	**21.49**	**36.45**	**100.53**	**19.78**	**49.62**	**1.16**	**32,121.11**
At 31st March 2023	**4,120.29**	**3,559.21**	**24,098.03**	**12.28**	**19.51**	**37.95**	**112.98**	**-**	**52.80**	**1.54**	**32,014.59**

Notes:

1 Details of Property, Plant and Equipment pledged against borrowings are given in Note 57.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

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

Relevant line item in Financial Statement	Description of item of property	Description of Property	As at 31st March 2024 Gross book value (₹ in Crores)	As at 31st March 2023 Gross book value (₹ in Crores)	Held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held since	Reason for not being in the name of the Company
Property Plant & Equipment	Freehold Land	Freehold land Located at Hazira ad-measuring 81.1707 hectares, 20.4569 hectares, and 22.4905 hectare (previous year: 81.1707 hectares, 20.4569 hectares, and 22.4905 hectare)	491.76	491.76	Government of Gujarat	No	2005-2013	The title deeds are in the name of the state government. The company acquired these land parcels by paying provisional considerations in earlier years and the land parcels are in possession of the company. The title transfer in name of the company is in process.
Property Plant & Equipment	Freehold Land	Freehold land Located at Hazira ad-measuring 98.99 Hectare (previous year: 100.71 hectare)	397.30	399.46	Erstwhile land owners	No	1990-2020	The title deeds are in the name of the land owners from whom company acquired these land parcels by paying the agreed consideration in earlier years and the land parcels are in the possession of the company. The title transfer in name of the company is in process.
Property Plant & Equipment	Freehold Land	Freehold Land Located at Odisha ad-measuring 4.51 hectares (previous year: 4.51 hectare)	4.32	4.32	Erstwhile land owners	No	2021	The company had acquired certain land parcel alongwith other identified assets from M/s Edelweiss asset reconstruction company Limited under the securitization and reconstruction of Financial assets and enforcement of security interest Act,2002. The title transfer in name of the company is in process.

3 Property, plant and equipment includes assets (Building and Plant & Machinery) having net book value ₹ 902.27 Crores (Previous year : net book value ₹ 940.99 crores) gross book value ₹ 1,200.15 crores pertaining to slurry pipeline from Dabuna to Paradeep, which was sold to M/s Utkal Pipeline Infrastructure Limietd (fka M/s Odisha Slurry Pipeline Infrastructure Ltd.) in March 2015 and taken back vide cancellation agreement dated 24th June 2016. The matter is under sub-judice. [Refer Note 45 (2) for details].

4 State Tax Department and Irrigation department of Gujarat Govt. have claimed their lien on certain land parcels owned by the Company at Hazira location on account of their claim of approx. ₹ 93.07 crores for the period of 1994-95 to 2013-14 according to the powers of recovery vested to the authorities under the relevant law. The underlying liabilities stand extinguished in terms of IBC and SC Order dated 15th November, 2019 and the Company is in process of getting these charges released.

5 During the year, lease agreement of the land used by Vizag division taken on lease from Vizag Port Trust was renewed.

6 During the previous year, the Company purchased Property, Plant and Equipment including Land ₹ 260.75 crore, Building ₹ 32.29 crore, Plant & Equipment ₹ 838.76 crore and others ₹ 0.03 crore related to a Gas based Combine Cycle Power Plant (CCPP) at Hazira, Gujarat (''Specified Tangible Fixed Assets") from Essar Power Limited ('EPOL'), as per the Sale and Purchase Agreement dated 6th March 2023 between EPOL and the Company.

7 Certain land parcels which are owned by the Company are still in the erstwhile Company's name and process of name change is in progress.

8 Property, Plant and Equipment includes Port Infrastructure assets with Net book value of ₹ 107.27 crore (Previous year: ₹ 92.87 crore).

9 Property, Plant and Equipment includes Power assets with Net book value of ₹ 1959.43 crore (Previous year: ₹ 2055.68 crore)

10 On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

5(b) Capital Work-in-Progress

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cost		
Opening	**4,118.85**	**1,577.12**
Additions	10,865.54	3,427.87
Capital Work-in-Progress written-off	(145.95)	-
Disposal	(0.98)	(5.21)
Capitalisation	(738.66)	(880.93)
Closing	**14,098.80**	**4,118.85**

The amount of borrowing costs (net) capitalised during the year ended 31st March, 2024 was ₹ 841.13 crore (31st March, 2023: ₹ 21.99 crore) which includes Foreign exchange capitalisation of ₹ 76.50 crore (31st March, 2023: ₹ Nil). Employee Cost capitalised during the year ended 31st March, 2024 was ₹ 173.00 Crores (31st March, 2023: ₹ 61.26 Crores). Borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate ranges between 7.29% to 8.27% (2022-23: 5.75% to 7.80%).

Capital Work-in-Progress (CWIP) Ageing Schedule

(₹ in crores)

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	10,865.54	3,207.58	-	-	14,073.12	3,303.70	390.25	88.55	170.55	3,953.05
Projects temporarily suspended	-	-	-	25.68	25.68	1.40	-	25.68	138.72	165.80
Total	**10,865.54**	**3,207.58**	**-**	**25.68**	**14,098.80**	**3,305.10**	**390.25**	**114.23**	**309.27**	**4,118.85**

Projects are in progress, whose completion is overdue or exceeded its cost compared to its original plan:

(₹ in crores)

Project Name	To be completed in									
	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
HSM, Pickling Line, Utilities & WTP Projects at Hazira	563.63	-	-	-	563.63	188.15	39.67	-	-	227.82
SMP 1 & 2 Projects at Hazira	383.23	-	-	-	383.23	253.14	-	-	-	253.14
Downstream Projects at Hazira	-	5,353.97	-	-	5,353.97	-	-	-	-	-
Upstream Projects at Hazira	-	-	3,052.17	-	3,052.17	-	-	-	-	-
Coke Oven Project at Hazira	-	1,547.33	-	-	1,547.33	-	-	-	-	-
Other Projects	2,006.29	625.25	-	-	2,631.54	1,233.31	210.81	10.57	19.08	1,473.77
Total	**2,953.15**	**7,526.55**	**3,052.17**	**-**	**13,531.87**	**1,674.60**	**250.48**	**10.57**	**19.08**	**1,954.73**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Projects temporarily suspended:

(₹ in crores)

Project Name	As at 31st March, 2024					As at 31st March, 2023				
	To be completed in									
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Power Plant at Odisha	25.68	-	-	-	25.68	25.68	-	-	-	25.68
Coke Oven project	-	-	-	-	-	136.12	-	-	-	136.12
Other Projects	-	-	-	-	-	4.00	-	-	-	4.00
Total	**25.68**	**-**	**-**	**-**	**25.68**	**165.80**	**-**	**-**	**-**	**165.80**

The Company is under expansion phase comprising of Upstream and Downstream projects of Steel Manufacturing facility at Hazira. Continous Gavlanising Line 4 (CGL-4) is part of Downstream project and has been commissioned in December 2023 with intended production capacity and the same was under Trial Run as on 31st March,2024. During the year, Trail Run loss of ₹ 17.33 crore was capitalised to CWIP.

5(c) Other Intangible Assets

(₹ in crores)

Particulars	Mining Assets	Software	Total
Cost/Deemed Cost			
At 1st April 2022	**350.48**	**47.14**	**397.62**
Additions	117.12	4.22	121.34
Disposals	-	-	-
At 31st March 2023	**467.60**	**51.36**	**518.96**
Additions	1.08	42.00	43.08
Disposals	-	-	-
At 31st March 2024	**468.68**	**93.36**	**562.04**
Accumulated Amortisation			
At 1st April 2022	**23.05**	**29.09**	**52.14**
Charge for the year	23.93	3.97	27.90
Disposals	-	-	-
At 31st March 2023	**46.98**	**33.06**	**80.04**
Charge for the year	32.88	8.81	41.69
Disposals	-	-	-
At 31st March 2024	**79.86**	**41.87**	**121.73**
Net book value			
At 31st March 2024	**388.82**	**51.49**	**440.31**
At 31st March 2023	**420.62**	**18.30**	**438.92**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

5(d) Intangible under development

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cost		
Opening	52.38	21.63
Additions	30.27	34.97
Capitalisation	(42.00)	(4.22)
Closing	**40.65**	**52.38**

Intangible under development Ageing Schedule

(₹ in crores)

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	25.04	15.61	-	-	40.65	30.46	12.56	9.36	-	52.38
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**25.04**	**15.61**	**-**	**-**	**40.65**	**30.46**	**12.56**	**9.36**	**-**	**52.38**

Projects are in progress, whose completion is overdue or exceeded its cost compared to its original plan:

(₹ in crores)

Project Name	To be completed in									
	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
SAP Upgradation project (S4 Hana)	-	-	-	-	-	26.95	-	-	-	26.95
Other Projects	21.07	-	-	-	21.07	9.99	-	-	-	9.99
Total	**21.07**	**-**	**-**	**-**	**21.07**	**36.94**	**-**	**-**	**-**	**36.94**

5(e) Details of Depreciation and Amortisation are as follows:

(₹ in crores)

Particulars	For the Year ended	
	31st March, 2024	31st March, 2023
Depreciation on Property, Plant and Equipments	1,972.99	1,986.77
Amortisation on Intangible Assets	41.69	27.90
Depreciation on Right of Use Asset (Refer Note 48)	365.11	448.03
Total	**2,379.79**	**2,462.70**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

6 (a) Non-Current Investments

(₹ in crores)

	Particulars	As at 31st March, 2024		As at 31st March, 2023	
(A)	**Investment in Subsidiaries**				
	(i) Unquoted Equity Instrument (At Cost less impairment)				
	226 (Previous Year : 226) fully paid Equity Shares of AED 1 million (Previous Year : AED 1 million) each of AMNS Middle East FZE		322.75		322.75
	Essar Steel Offshore Limited (ESOL)- Deemed Investment[1]	-		60.09	
	Impairment in value of Investment	-	-	(60.09)	-
	Nil (Previous Year : 130,357,881) fully paid Equity Shares of USD 1 million (Previous Year : USD 1 million) each of Essar Steel Offshore Limited[1]	-		738.07	
	Impairment in value of Investment	-	-	(738.07)	-
	Nil (Previous Year : 200,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Shared Services Limited	-		0.20	
	Impairment in value of Investment	-	-	(0.20)	-
	14 (Previous Year : 14) fully paid Equity Shares of AED 1 million (Previous Year : AED 1 million) each of Essar Steel Trading FZE Dubai	17.61		17.61	
	Impairment in value of Investment	(17.61)	-	(17.61)	-
	331,010,000 (Previous Year : 331,010,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Shipping & Logistics Private Limited		331.01		331.01
	10,000,000 (Previous Year : 10,000,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Power Hazira Limited (fka Essar Power Hazira Limited) (Refer note 60)		32.36		32.36
	12,203,219 (Previous Year : 12,203,219) fully paid Equity Share of ₹ 10 (Previous Year : ₹ 10) each of Bhagwat Steel Limited (FKA Essar Steel Chattishgarh Limited)	7.58		7.58	
	Impairment in value of Investment	(4.16)	3.42	(4.16)	3.42
	100 (Previous Year : 100) fully paid Equity Shares of USD 1,000 (Previous Year : USD 1,000) each of PT AM/NS Indonesia		3.60		3.60
	1,187,200 (Previous Year : 1,187,200) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Snow White Agencies Pvt. Ltd. (Refer note 60)		1.20		1.20
	3,850,000 (Previous Year : 3,850,000) fully Paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Ports Hazira Limited (fka Essar Bulk Terminal Limited)		124.46		124.46
	39,254,662 (Previous Year : 39,254,662) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Ports India Limited (fka Hazira Cargo Terminal Limited)		9,913.43		9,913.40
	10,000 (Previous Year : 10,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Ports Shared Services Pvt Limited (fka Ibrox Aviation and Trading Pvt Limited)		0.15		0.15
	2000 (Previous Year : 2,000) fully Paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Port Paradip Limited (fka Essar Bulk terminal Paradip Limited) (*** ₹ 20,000)		***		***

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

	Particulars	As at 31st March, 2024		As at 31st March, 2023	
	300 (Previous Year : Nil) fully paid Equity Shares of ₹ 10 each of Nand Niketan Services Private Limited (Refer note 60)		0.75		-
	(ii) Unquoted Preference Shares				
	Non-Convertible Redeemable Preference Shares (At amortised cost)				
	760,000,000 (Previous Year : 560,000,000) 0.01% Non-Convertible Redeemable Preference Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Ports Shared Services Private Limited (fka Ibrox Aviation and Trading Private Limited)		760.00		560.00
	Compulsorily Convertible Cummulative Preference Shares (At Cost less impairment)				
	641,173,900 (Previous Year : 641,173,900) 0.10% Compulsorily Convertible Cummulative Preference Shares of ₹ 10 each (Previous Year : ₹ 10) of AMNS Power Hazira Limited. (fka Essar Power Hazira Limited)		2,578.77		2,578.77
	Compulsorily Convertible Preference Shares (At FVTPL)				
	182,418 (Previous Year : 182,418) Compulsorily Convertible Preference shares of ₹ 100,000 (Previous Year : ₹ 100,000) each of AMNS Ports Hazira Limited (fka Essar Bulk Terminal Limited)		1,824.18		1,824.18
	(iii) Unquoted Debentures (At Cost less impairment)				
	Compulsorily Convertible Debentures				
	1,845,766 (Previous Year : 1,845,766) 0.01% Compulsorily Convertible Debentures of ₹ 10 each (Previous Year : ₹ 10) of AMNS Ports India Limited (fka Hazira Cargo Terminal Limited)		355.17		355.17
	28,900,328 (Previous Year : 28,900,328) 0.01% Compulsorily Convertible Debentures of ₹ 100 (Previous Year : ₹ 100) each of AMNS Ports Shared Services Pvt Limited (fka Ibrox Aviation and Trading Pvt Limited)		4,205.51		4,205.50
	Investment in Subsidiaries (Total) (A)		**20,456.76**		**20,255.97**
(B)	**Investment in Associates (At Cost less impairment)**				
	(i) Unquoted Equity Instrument (At Cost less impairment)				
	2 (Previous Year : 2) fully paid Equity Shares of AED 0.1 million (Previous Year : AED 0.1 million) each of Essar Steel Processing FZCO Dubai[6]	0.25		0.25	
	Impairment in value of Investment	(0.25)	-	(0.25)	-
	43,850,746 (Previous Year : 39,000,000) fully paid Equity shares of ₹ 10 (Previous Year : ₹ 10) each of AM Green Energy Private Limited		52.00		39.00
	10,000 (Previous Year : 10,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of New Age Education and Skills Foundation		0.01		0.01
	Investment in Associates (Total) (B)		**52.01**		**39.01**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
(C) Investment - Others				
(i) Equity Instruments - Unquoted (Carried at FVOCI)[4]				
50,000 (Previous Year : 50,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Steel Logistics Limited3 (fka Essar Steel Logistics Limited)[Cost- ₹ 0.05 crore]	-	-	-	-
250,000 (Previous Year : 250,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Frontline Roll Forms Private Limited [Cost- ₹ 0.25 crore]	-	-	-	-
20 (Previous Year : 20) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Essar Commvision Limited (# ₹ 200)		#		#
Equity Instrument- Quoted (Carried at FVOCI)				
Nil (Previous Year : 1,273,611) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Essar Shipping Limited[4]		-		1.02
(ii) Debentures (Carried at FVTPL)				
Convertible Debentures				
Nil (Previous Year : 1,065,585) fully paid Compulsory Convertible Cumulative Debenture of ₹ 1000 (Previous Year : ₹ 1000) each of AMW Auto Component Limited (Cost-₹ 106.56 crores)		-		-
(iii) Preference Shares (Carried at FVTPL)				
Compulsorily Convertible Preference Shares				
2,355,533,400(Previous Year : 2,143,333,400) 0.01% Compulsory Convertible Preference Shares of ₹ 10 (Previous Year : ₹ 10) each of AM Mining India Private Limited[2]		7,329.73		6,430.00
Investment - Others (Total) (C)		**7,329.73**		**6,431.02**
Investment (A)+(B)+(C)		**27,838.50**		**26,726.00**
Aggregate amount of Unquoted Investments		27,860.52		27,545.36
Aggregate amount of Impairment		(22.02)		(820.38)
		27,838.50		**26,724.98**
Aggregate amount of quoted investments and market value		-		1.02
		-		1.02

1 Winding-up proceedings in respect of ESOL and its subsidiaries was initiated on 24th June, 2020 and the same has been dissolved on 8th May, 2023. Hence the investments made by the Company in ESOL, have been written-off during the year against the provision.

2 During the year the Company has invested ₹ 899.73 crores in compulsorily convertible preference shares (CCPS) of AM Mining India Private Limited (AMMIPL) on 3rd May, 2023. Company has also subscribed CCPS in this Company in previous year ₹ 2,370 crores and ₹ 4,060 crores on 6th July, 2020 and on 1st November, 2022 respectively.

To assess control over AM Mining, the Company has evaluated that AMNSI has invested in AM Mining in the capacity of an agent of parent companies and does not exercise control (in consolidated financial statements) and accordingly, the investment in CCPS has been recognised at Fair value through Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

3 Order directing winding up of AMNS Steel Logistic was passed by NCLT on 28th Janurary, 2022 and Liquidator had taken this company under his control, hence AMNSI ceased to control the entity.

4 Investments at fair value through OCI reflect investment in quoted/unquoted equity securities. These are designated as FVOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

5 Investment in subsidiaries include investment in strategic infrastructure assets of Port and Power of ₹ 17,182.90 crores (previous year ₹ 16,982.86 crores) and ₹ 2,611.13 crores (previous year ₹ 2,611.13 crores) respectively.

6. It was agreed between the Company and Essar Exploration & Production India Limited ("EEPIL") that the Company will sell its shareholding in Essar Steel Processing FZCO, Dubai ("ESPF") of 2 Shares i.e., 40% shareholding of ESPF to EEPIL along with all the rights and benefits attached them. The share transfer is yet to be executed by the parties.

6 (b) Current Investments

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments in Mutual Fund (Unquoted) (Carried at FVTPL)	1,001.15	779.28
Current Investments (Total)	**1,001.15**	**779.28**
Aggregate amount of Unquoted Investments	1,001.15	779.28
	1,001.15	**779.28**

7 Non-current Loans

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Loan to Related Party (Refer Note 44) (at amortised cost)	1,036.88		181.36	
Less : Allowance for Expected credit loss (ECL)	-		-	
		1,036.88		181.36
		1,036.88		**181.36**
Movement in Allowance for ECL:				
Provision for ECL at the beginning of the year		-		2,284.73
Add: Additional provision during the year (Refer Note 51)		-		588.40
Less: Write off during the year		-		(2,873.13)
Provision for ECL at the end of the year		**-**		**-**

8 Other Non-Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Security Deposit - at amortised cost				
Considered good	1,279.45		1,366.22	
Considered doubtfull	3.89		3.30	
Less : Allowance for Expected credit loss (ECL)	3.89		3.30	
		1,279.45		1,366.22
Banks Deposits with maturity period more than 12 months (Refer note 13) - at amortised cost		25.40		25.95
Derivative Financial Instruments - at FVOCI		916.21		879.60
		2,221.06		**2,271.77**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Movement in Allowance for ECL:		
Provision for ECL at the beginning of the year	3.30	8.82
Addition during the year	0.70	-
Less: Write off during the year	-	5.31
Less: Reversal during the year	0.11	0.21
Provision for ECL at the end of the year	**3.89**	**3.30**

9 Other Non-Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances	4,615.85	3,732.83
	4,615.85	**3,732.83**

10 Inventories

(Valued at lower of cost and net realizable value)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw Materials	1,626.07	1,736.51
Goods-in transit	1,378.32	992.33
Work-in-Progress	3,816.82	3,986.54
Finished Goods*	1,520.12	1,257.58
Stock - in - Trade	10.65	-
Stores and Spares	868.96	867.51
Goods-in transit	62.02	36.55
Production Consumables	505.92	592.98
Goods-in transit	27.67	55.71
Fuel	332.08	150.42
Goods-in transit	53.94	-
	10,202.57	**9,676.13**

No provision for write-down on value of inventory recognised in statement of Profit and Loss.

*Finished Goods includes trial run inventory of ₹ 48.89 crores (Previous Year Nil)

11 Trade Receivables (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables- considered good- Unsecured	865.31	1,482.92
Trade Receivables - credit impaired - Unsecured	64.52	267.62
	929.83	**1,750.54**
Allowance for ECL:		
Trade Receivables- considered good- Unsecured	(38.82)	(15.52)
Trade Receivables - credit impaired- Unsecured	(64.52)	(267.62)
	826.49	**1,467.40**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Movement in Allowance for ECL:		
Provision for ECL at the beginning of the year	283.14	898.48
Add: Additional provision during the year (Including Exchange Variation)	63.52	-
Less: Writeoff during the year (Including Exchange Variation)	238.51	615.22
Less: Reversal during the year	4.81	0.12
Provision for ECL at the end of the year	**103.34**	**283.14**

i. Trade receivables does not include any receivables from directors and officers of the Company or from firms or private companies respectively in which such director is a partner, a director or a member.

ii. Trade receivables from related parties have been disclosed in Note 44.

iii. The credit period on sale of goods ranges from 7 to 90 days. The Company charges interest on receivables beyond credit period in case of certain customers.

Trade Receivables Ageing as on 31st March 2024:

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	632.91	193.58	4.91	25.80	5.21	2.90	865.31
Undisputed Trade receivable - credit impaired	-	40.22	-	-	-	24.30	64.52
Total	**632.91**	**233.80**	**4.91**	**25.80**	**5.21**	**27.20**	**929.83**

Trade Receivables Ageing as on 31st March 2023:

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,299.10	168.29	2.87	8.54	2.22	1.90	1,482.92
Undisputed Trade receivable - credit impaired	-	-	-	-	-	267.62	267.62
Total	**1,299.10**	**168.29**	**2.87**	**8.54**	**2.22**	**269.52**	**1,750.54**

12 Cash and Cash Equivalents

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
In Current Accounts	145.62	221.88
Deposits with original maturity of less than 3 months	1,744.35	854.47
Cheques on hand	3.23	3.54
Cash on hand*	0.00	0.01
	1,893.20	**1,079.90**

* Represents less than ₹ 1 lac.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

13 Bank Balances other than Cash & Cash Equivalents

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deposits with original maturity for more than 3 months but less than 12 months	4,716.05	1,153.84
Deposits with remaining maturity less than 12 months	558.19	363.62
Margin Money	244.52	2,551.71
	5,518.76	**4,069.17**

Margin Money ₹ 269.92 crores (Previous Year : ₹ 2,577.66 crores) (including Margin money on Non current term deposits in Other Non-Current financial Assets ₹ 25.40 crores (Previous Year : ₹ 25.95 crores) with balance maturity period of more than 12 months - Refer Note 8) have been pledged with banks as a security for opening Letters of Credit, Short Term Borrowings and against Bank Guarantees.

14 Current Loans (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Loan to Related Party (Refer note 44)				
Considered good	143.55		-	
Considered doubtfull	2,827.18		2,787.95	
Less : Allowance for Expected credit loss (ECL)	2,827.18		2,787.95	
		143.55		-
Loans and Advances to Staff				
Considered good		0.60		1.28
		144.15		**1.28**
Movement in Allowance for ECL:				
Provision for ECL at the beginning of the year		2,787.95		2,570.61
Add: Additional provision during the year		39.23		217.36
Less: Reversal during the year		-		0.02
Provision for ECL at the end of the year		**2,827.18**		**2,787.95**

15 Other Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Security Deposits - at amortised cost				
Considered good	217.42		551.17	
Considered doubtfull	5.03		4.81	
Less : Allowance for Expected credit loss (ECL)	5.03		4.81	
		217.42		551.17
Export Benefits - at amortised cost		18.89		19.48
Interest Accrued on Loans & Deposits - at amortised cost		67.16		1.89
Derivative Financial Instruments - at FVOCI		882.30		3,455.12
Derivative Financial Instruments - at FVTPL		19.77		10.34
Other Receivables - at amortised cost		160.12		160.13
		1,365.66		**4,198.13**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Movement in Allowance for ECL		
Provision for ECL at the beginning of the year	4.81	147.38
Add: Additional provision during the year	0.30	-
Less: Write off during the year	-	138.43
Less: Reversal during the year	0.08	4.14
Provision for ECL at the end of the year	**5.03**	**4.81**

16 Other Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Advances to Suppliers - Related Parties (Refer Note 44)				
Considered good	10.22		36.78	
Considered doubtfull	-		7.77	
Less: Impairment Allowance	-		7.77	
		10.22		36.78
Advances to Suppliers				
Considered good	314.17		291.21	
Considered doubtfull	130.39		131.39	
Less: Impairment Allowance	130.39		131.39	
		314.17		291.21
Balances with Government Authorities	-			
Considered good	1,355.29		1,400.79	
Considered doubtfull	142.49		132.36	
Less: Impairment Allowance	142.49		132.36	
		1,355.29		1,400.79
Claims Receivables				
Considered good	81.49		202.72	
Considered doubtfull	957.20		993.69	
Less: Impairment Allowance	957.20		993.69	
		81.49		202.72
Prepaid Expenses		44.13		48.43
		1,805.30		**1,979.93**

17 Share Capital

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Authorised				
79,900,000,000 (Previous Year : 79,900,000,000) Equity Shares of ₹ 10 each		79,900.00		79,900.00
100,000,000 (Previous Year : 100,000,000) 10% Cumulative Redeemable Preference Shares of ₹ 10 each		100.00		100.00
		80,000.00		**80,000.00**
Movement in Authorised Share Capital due to Composite Scheme of Arrangement (scheme):	**Number**	**₹ in crores**	**Number**	**₹ in crores**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Outstanding at the begining of the year	80,00,00,00,000	80,000.00	30,00,00,00,000	30,000.00
Increase pursuant to scheme	-	-	50,00,00,00,000	50,000.00
After considering impact of scheme	**80,00,00,00,000**	**80,000.00**	**80,00,00,00,000**	**80,000.00**
Issued, Subscribed and Paid up				
25,041,306,142 (Previous Year : 25,041,306,142) Equity Shares of ₹ 10 each [Refer point (c) below]		25,041.31		25,041.31
		25,041.31		**25,041.31**

a i. Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Equity Shares	31st March, 2024		31st March, 2023	
	Number	₹ in crores	Number	₹ in crores
At the beginning of the year	25,04,13,06,142	25,041.31	25,04,13,06,142	25,041.31
Issued during the year	-	-	-	-
Outstanding at the end of the year	25,04,13,06,142	25,041.31	25,04,13,06,142	25,041.31

ii. Movement in Shareholding due to Composite Scheme of Arrangement (scheme)(Refer note 54):

Equity Shares	31st March, 2024		31st March, 2023	
	Number	₹ in crores	Number	₹ in crores
Outstanding at the begining of the year	25,04,13,06,142	25,041	-	-
Before considering impact of scheme	-	-	9,22,20,00,000	9,222.00
Cancelled and extinguished as per the scheme	-	-	(9,22,20,00,000)	(9,222.00)
Shares to be issued pursuant to scheme [Refer (c) below]	-	-	25,04,13,06,142	25,041.31
Outstanding at the end of the year	25,04,13,06,142	25,041	25,04,13,06,142	25,041.31

b Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of Equity Shares having face value of ₹ 10 per share. Every shareholder is entitled to one vote for every one share held. In the event of liquidation, the equity share holders shall be entitled to receive remaining assets of the Company after distribution of all dues in proportion to their shareholdings.

c Shares held by holding Company

In terms of the composite scheme of arrangement authorised share capital of the Company has been increased to ₹ 80,000 crores on amalgamation of ArcelorMittal India Private Limited (AMIPL) with the Company. On 25th September 2023, the Board of Directors has approved the allotment of 25,04,13,06,142 fully paid-up Equity shares of ₹ 10 each of the Company to Oakey Holding B.V. (in its capacity as the shareholder of AMIPL) for settlement of consideration for the amalgamation of AMIPL with the Company as per said scheme.

d Details of shareholders holding more than 5% shares in the Company

Equity Shares	31st March, 2024		31st March, 2023	
	Number	% of Holding	Number	% of Holding
Oakey Holding B.V. [Refer point (c) above]*	25,04,13,06,142	100.00	25,04,13,06,142	100.00
	25,04,13,06,142	100.00	25,04,13,06,142	100.00

* Includes shares held by nominee shareholders.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

e **Details of shares held by promoter**

As at 31st March, 2024

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	%of Total Shares	%change
Equity Shares of ₹ 10 each	Oakey Holding B.V.	25,04,13,06,142	-	25,04,13,06,142	100	-

As at 31st March, 2023

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	%of Total Shares	%change
Equity Shares of ₹ 10 each	Oakey Holding B.V.	25,04,13,06,142	-	25,04,13,06,142	100	-

18 Other Equity*

(₹ in crores)

Particulars		As at 31st March, 2024		As at 31st March, 2023
Capital Reserves		5,534.37		5,534.37
Securities Premium Account		7,814.61		7,814.61
Capital Contribution		1,997.71		1,997.71
General Reserve		77.51		77.51
Retained Earnings		599.63		(6,372.71)
Other Comprehensive Income (OCI)				
i. Fair Value through OCI- Equity Instrument	(18.56)		(28.36)	
ii. Effective portion of cash flow hedges	1,342.32		5,634.06	
		1,323.76		5,605.70
		17,347.59		**14,657.19**

* For movement in Other Equity, refer to Statement of Changes in Equity.

a) Capital Reserves

Reserve is created as per composite scheme of arrangement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

b) Securities Premium

Security premium comprises the premium received on issue of shares. The reserve can be utilised in accordance with the provisions of Companies Act, 2013.

c) General Reserve

The reserve is a distributable reserve maintained by the Company. This is a free reserve and can be utilised in accordance with Companies Act, 2013.

d) Effective portion of cash flow hedges

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

e) Fair Value through OCI- Equity Instrument

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

f) **Capital Contribution**

During FY 2020-21, the company and its ultimate parents (AMNS Luxembourg) have made certain modifications in the existing debt agreement. In view of the said modifications, net interest expense of ₹ 246.26 crores were recognised as capital contribution. Further company received waiver of borrowings from AMNS Luxembourg amounting to ₹ 1,418.89 crores and this was also recognised as capital contribution. During the year FY 2019-20, subsequent to settlement of claim of Standard Chartered Bank under the CIRP on behalf of the Company, the same was waived off by AMNS Luxembourg and an amount of ₹ 60.09 crores was recognised as capital contribution. Capital contribution amounting to ₹ 87.83 crores was acquired as per the composite scheme of arrangement. Furthermore, during the year FY 2021-22 the company and its parent company (Oakey Holding B.V.) have made certain modification in the existing bond agreement. In view of the said modification the net interest expenses of ₹ 184.63 crores had been transferred to capital contribution.

g) **Retained Earnings**

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

19 Non-Current Borrowings (at amortised cost) (Refer Note 57)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current Maturity	Non Current	Current Maturity
Secured				
Term Loan				
From Financial Institutions	2.19	4.88	7.08	1.25
From Related Party (Refer Note 44)	-	-	4,436.47	9.57
Unsecured				
Bonds From Related Party (Refer Note 44)	26,321.97	4,575.74	25,548.31	3,613.34
Term Loan From Related Party (Refer Note 44)	12,246.84	48.90	-	-
Less: Amount shown under Current Borrowing (Refer Note 24)		(4,629.52)	-	(3,624.16)
	38,571.00	**-**	**29,991.86**	**-**

20 Other Non Current Financial Liabilities (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Brand usage charges payable*	1,430.63	1,563.06
	1,430.63	**1,563.06**

*Represents liability towards restriction on Brand usage and current portion of ₹ 125.57 crores (previous year ₹ 178.23 crores) accounted under Other Current Financial Liabilities (Refer Note 26).

21 Non Current Provisions

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Gratuity (Refer Note 47)	49.37	28.93
Compensated Absences	33.57	21.99
Provision for Asset Retirement Obligation*	145.00	133.02
	227.94	**183.94**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Movement of Asset Retirement Obligation		
Opening Balance	133.02	4.93
Addition during the year	-	117.12
Interest Accrued	11.98	10.97
Closing Balance	**145.00**	**133.02**

*Provision for asset retirement obligations represents estimates towards the expected expenditure for restoring the mining area and other obligatory expenses as per the mine closure plan.

22 Deferred Tax Liabilities (net)

Deferred Tax movement for the year ended on 31st March,2024

(₹ in crores)

Particulars	As at 1st April 2023	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	As at 31st March 2024
Property, plant and equipment and Intangible Assets	4024.99	(115.99)	-	3,909.00
Derivative Financial Instruments	636.85	1,250.52	(1,443.43)	443.94
Right of Use Assets (ROU)	553.01	(17.86)	-	535.15
Unrealised gain on Investment	22.01	56.50	0.75	79.26
Deferred Tax Liabilities	**5,236.86**	**1,173.17**	**(1,442.68)**	**4,967.35**
Assets retirement obligation	(33.48)	(3.02)	-	(36.50)
Unabsorbed depreciation	(1,240.46)	1,152.76	-	(87.70)
Lease Liabilities	(562.36)	47.41	-	(514.95)
Deferred Gain on Lease	(34.53)	4.46	-	(30.07)
Provision for doubtful Assets	(686.08)	76.78	-	(609.30)
Expenses allowable for tax purposes on payment basis and others	(306.60)	9.67	(5.82)	(302.75)
Deferred Tax Assets	**(2,863.51)**	**1,288.06**	**(5.82)**	**(1,581.27)**
Deferred Tax Liabilities (Net)	**2,373.35**	**2,461.23**	**(1,448.50)**	**3,386.07**

Deferred Tax movement for the year ended on 31st March,2023

(₹ in crores)

Particulars	As at 1st April 2022	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	As at 31st March 2023
Property, plant and equipment and Intangible Assets	4,083.32	(58.33)	-	4024.99
Derivative Financial Instruments	3,199.23	(1,255.49)	(1,306.89)	636.85
Unrealised gain on Investment	33.41	(11.42)	0.02	22.01
Right of Use Assets (ROU)	646.21	(93.20)	-	553.01
Deferred Tax Liabilities	**7,962.17**	**(1,418.44)**	**(1,306.87)**	**5,236.86**
Assets retirement obligation	-	(33.48)	-	(33.48)
Unabsorbed depreciation	(1,303.47)	63.01	-	(1240.46)
Lease Liabilities	(654.47)	92.11	-	(562.36)

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 1st April 2022	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	As at 31st March 2023
Deferred Gain on Lease	(38.98)	4.45	-	(34.53)
Provision for doubtful Assets	(411.05)	(275.03)	-	(686.08)
Expenses allowable for tax purposes on payment basis and others	(1,400.23)	1,096.00	(2.37)	(306.60)
Deferred Tax Assets	**(3,808.20)**	**947.06**	**(2.37)**	**(2,863.51)**
Deferred Tax Liabilities (Net)	**4,153.97**	**(471.38)**	**(1,309.24)**	**2,373.35**

Income tax authorities have made various adjustments during the tax assessment/reassessments for various years and reduced the loss amount claimed by the Company . The Company has filed appeals before the Appellate and Judicial levels against the said adjustments. Pending outcome of the appeal, the Company has not recognised deferred tax asset on unabsorbed depreciation (with no expiry) amounting to ₹ 6,368.47 Crores.

23 Other Non-Current Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred gain*	101.75	119.45
	101.75	**119.45**

* At the time of transition to IND AS, a sale and leaseback transaction was assessed as finance lease under Appendix C to Ind AS 17. Therefore, the gain on sale of business undertaking is deferred over the period of the arrangement.

24 Current Borrowings (at amortised cost) (Refer Note 57)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Current maturities of long-term Borrowings	4.88	10.83
Unsecured		
Loans From Banks	-	1,574.21
Current maturities of long-term Borrowings	4,624.64	3,613.33
Commercial Paper	-	971.42
	4,629.52	**6,169.79**

25 Trade Payables

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Total outstanding dues of micro and small enterprises (Refer Note 50)		165.72		175.50
Total outstanding dues of creditors other than micro and small enterprises				
Acceptances	1,167.91		2,037.28	
Others	5,611.87		4,108.51	
		6,779.78		6,145.79
		6,945.50		**6,321.29**

1. Trade Payables are majority non-interest bearing and other than Acceptances are normally settled within 30 to 120 days.
2. Trade payable to related parties have been disclosed in Note 44

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Payable Ageing as on 31st March 2024:

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues- Micro & Small Enterprises	-	154.84	10.62	0.17	0.05	0.04	165.72
(ii) Undisputed dues-Others	1,267.33	3,109.23	1,184.24	0.65	0.34	1.36	5,563.15
(iii) Disputed dues – Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	1,216.63	-	-	-	-	-	1,216.63
Total	**2,483.96**	**3,264.07**	**1,194.86**	**0.82**	**0.39**	**1.40**	**6,945.50**

Payable Ageing as on 31st March 2023:

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues- Micro & Small Enterprises	-	152.79	22.58	0.08	0.04	0.01	175.50
(ii) Undisputed dues-Others	1,162.60	3,566.41	326.46	0.57	1.07	0.55	5,057.66
(iii) Disputed dues – Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	1,088.13	-	-	-	-	-	1,088.13
Total	**2,250.73**	**3,719.20**	**349.04**	**0.65**	**1.11**	**0.56**	**6,321.29**

26 Other Current Financial Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payable for Capital Expenditures - at amortised cost	1,689.20	630.07
Derivative Financial Instruments - at FVTPL	16.01	16.90
Derivative Financial Instruments - at FVOCI	5.55	-
Security Deposits Received - at amortised cost	4.44	9.17
Other Liabilities- - at amortised cost (Refer Note 45(2) and 20)	2,594.04	2,641.57
	4,309.24	**3,297.71**

27 Current Provisions

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Employee benefits-Compensated Absences (Refer Note 47)	4.85	3.93
Provision for Mining Duties*	130.71	130.71
	135.56	**134.64**

**During the financial year FY 2021-22, the Company received a demand letter from Office of the Joint Director of Mines, Joda on shortfall in the minimum production/dispatch required under Mine Development Production Agreement for an amount of ₹ 130.71 crores. The Company paid ₹ 35.30 crores under protest against the demand of ₹ 130.71 crores on October 05, 2021. Later on, the Company filed a writ petition at High Court of Orissa and stay has been granted after additional deposit of ₹ 10 crores. The Company has created a provision of ₹ 130.71 crores on prudent basis.*

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

28 Other Current Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance from Customer	261.96	416.62
Deferred gain (Refer Note 23)	17.70	17.70
Statutory Dues	409.04	445.06
	688.70	**879.38**

29 Revenue from Operations

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Sale of products	51,281.32	52,696.17
Sale of services	195.07	70.40
Other operating revenues	5,957.93	632.53
	57,434.32	**53,399.10**

For disaggregation of revenue refer Note 41-Segment Information.

Information about Products and Services:

(₹ in crores)

Particulars	Unit	For the Year 31st March, 2024		For the Year 31st March, 2023	
		Quantity	₹ in crores	Quantity	₹ in crores
Hot/Cold Rolled Coils, Sheets & Plates	MT	71,58,297	44,739.42	63,78,884	43,327.04
Pellets	MT	19,77,259	2,152.30	21,29,049	2,380.40
Pipes	MT	1,83,165	1,460.18	1,91,245	1,796.60
Natural Gas			239.70		3,417.47
Others			2,689.72		1,774.66
Total Products Sales			**51,281.32**		**52,696.17**
Sale of services			195.07		70.40
Other operating revenues					
Scrap Sales		887.63		542.62	
Gain on settlement of derivative financial instruments*		4,983.05		-	
Export Benefit		87.25		89.91	
			5,957.93		632.53
Revenue from Operations			**57,434.32**		**53,399.10**

The Company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss. Sale of Services includes mainly job work income, which is identified as separate performance obligation under Ind AS 115.

*The Company had entered into certain derivative contracts to hedge the price risk on purchases of Natural Gas which were tested for hedge effectiveness in previous year and the gain realised on these derivative contracts were credited to cash flow hedge reserve in other comprehensive income based on the future forecasted purchases of Natural Gas. During the year, the Natural gas was procured from alternate sources instead of the sources which were designated as hedge item for hedge accounting resulting in discontinuance of hedge. Consequently, the gains on aforesaid derivative contracts has been reclassified from cash flow hedge reserve to the Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment information (refer note 41)

Timing of revenue recognition

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Sale of products	51,281.32	52,696.17
Sale of services	195.07	70.40
Other operating revenue	5,957.93	632.53
Total revenue from operations	**57,434.32**	**53,399.10**
India	45,594.35	46,332.15
Outside India	11,839.97	7,066.95
Total revenue from operations	**57,434.32**	**53,399.10**
At a point in time	57,434.32	53,399.10
Total revenue from operations	**57,434.32**	**53,399.10**

Contract Balances

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Trade Receivables (refer note 11)	929.83	1,750.54
Contract liabilities		
Advance from Customer (refer note 28)	261.96	416.62

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 416.62 crores (previous year ₹ 529.41 crores) and performance obligations satisfied in previous years ₹ Nil (previous year ₹ NIL).

The total contract liabilities outstanding as on 31st March, 2024 , ₹ 261.96 crores (previous ₹ 416.62 crores) will be recognised by 31st March, 2025.

30 Other Income

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Interest Income on Financial Assets measured at amortised cost		
Bank Deposits*	227.47	411.82
Inter Corporate Deposits	32.27	12.75
Compulsory Convertible Debenture	0.03	0.03
Compulsorily Convertible Preference Shares	0.51	-
Non-Convertible Redeemable Preference Shares	64.46	0.51
Security Deposit	126.63	56.66
Others	8.28	6.72
Dividend Income on:		
Compulsorily Convertible Preference Shares	64.32	-
Other Non Operating Income		
Gain on sale of Investments	172.57	388.44
Gain/(loss) on fair valuation of Investments (FVTPL)	2.21	(128.53)
	174.78	259.91

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Gain on termination of lease	1.03	-
Amortisation of Deferred Gain (Refer Note 23)	17.70	17.70
Liabilities/ Provision no longer required written back	28.82	133.09
Exchange Difference (Net)	-	115.37
Miscellaneous Income	36.61	20.54
	782.91	**1,035.10**

** Net of interest income capitalised ₹175.07 crores (Previous year: Nil)*

31 Cost of Materials Consumed

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Raw Materials	23,521.95	27,165.37
Production Consumables	3,197.54	3,472.14
Interplant Freight for input materials	1,951.44	1,819.61
	28,670.93	**32,457.12**

32 (Increase)/Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Opening Stock				
Finished Goods	1,257.58		1,017.12	
Work-in-Progress	3,986.54		4,011.13	
		5,244.12		5,028.25
Closing Stock				
Finished Goods	1,471.23		1,257.58	
Work-in-Progress	3,816.82		3,986.54	
Stock in Trade	10.65		-	
		5,298.70		5,244.12
(Increase)/Decrease in Inventories				
Finished Goods		(213.65)		(240.46)
Work-in-Progress		169.72		24.59
Stock in Trade		(10.65)		-
		(54.58)		**(215.87)**

33 Power and Fuel

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Petroleum Products - Fuel	3,159.00	3,219.55
Purchase of Power	3,478.01	3,785.43
	6,637.01	**7,004.98**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

34 Employee Benefits expense*

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Salaries, wages and Bonus	654.31	544.01
Contribution to Provident and Other Funds (Refer Note 47)	55.68	45.63
Staff Welfare expenses	108.79	97.99
	818.78	**687.63**

**Net of employee ternfit cost capitalised Rs.173 crores (Previous Year Rs.61.26 crores)*

35 Other Expenses

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Manufacturing & Asset Maintenance		
Repairs, Maintenance and Equipment Hire charges	845.21	796.87
Stores and Spares	985.95	957.26
Labour and Sub Contracting charges	922.05	636.97
Insurance	67.41	73.29
Water Charges	213.38	192.69
Administrative Expenses		
Travelling and Conveyance	55.29	45.78
Printing and Stationery	8.51	7.53
Legal Fees	56.93	107.03
Professional Fees	223.72	201.11
Rent	67.51	62.02
Repairs, Maintenance - other than Plant	37.71	33.52
Insurance - other than Plant	25.48	25.70
Rates and Taxes	85.17	49.51
Auditor's Remuneration (Refer note (a) below)	9.41	4.63
Loss on sale/write off of Property, Plant & Equipment/ CWIP	345.92	14.03
Allowance/write-off for Doubtful Debt/Trade Advances/ Investments*	86.24	1.76
Donations and Charities (Refer note (b) below)	100.11	50.01
Security Charges	30.55	25.51
Corporate Social Responsibility (CSR) expenditure (refer note 53)	322.18	102.90
Exchange Difference (Net)	5.22	-
Miscellaneous Expenses	110.12	63.38
Selling & Distribution Expenses		
Sales Commission	21.86	23.53
Freight Outward (net), Intercarting and Packing charges	2,280.52	2,423.87
Other Selling expenses	46.92	76.58
	6,953.37	**5,975.48**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(a) Auditor's Remuneration (excluding taxes)

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Audit Fees[1]	8.13	4.20
Other Services	1.10	0.33
Out of pocket expenses	0.18	0.10
	9.41	**4.63**

1) Includes ₹ 2.55 crores towards previous year.

(b) Donation includes ₹ 100 crore (previous year ₹ 50 crore) paid to Prudent Electroal Trust towards political donation.

* Includes reversal of provision of ₹ 1,145 crores and write off ₹ 1,144.93 crores.

36 Finance Costs

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Interest				
on Bond*	1,943.58		2,281.35	
on Term Loans#	286.74		243.84	
on Lease Liabilities	163.24		221.70	
Others^	420.39		278.33	
		2,813.95		3,025.22
Exchange differences regarded as as adjustment to borrowing cost^^		38.90		461.55
Other Finance costs^^^		233.90		186.54
		3,086.75		**3,673.31**

** Net of interest cost capitalised ₹ 484.78 Crores (Previous Year: Nil)*

 # Net of interest cost capitalised ₹ 426.43 Crores (Previous Year: Nil)

^ Net of interest cost capitalised ₹ 20.67 Crores (Previous Year: ₹ 21.99 Crores)

^^ Net of foriegn exchange cost capitalised ₹ 76.50 Crores (Previous Year: Nil)

^^^ Net of other finance cost capitalised ₹ 7.82 Crores (Previous Year: Nil)

37 Income Tax

(a) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Profit before Tax	9,458.46	1,715.57
Applicable tax Rate	25.17%	25.17%
Tax expense at applicable tax rate	2,380.51	431.77
Impact on account of composite scheme of arrangement	-	(900.57)
Tax effect of amount which are not deductible in calculating taxable Income	108.56	187.79
Reversal of Impairment on Land	-	(104.82)
Others	(27.84)	(85.55)
Income Tax Expenses - Charge / (Credit)	**2,461.23**	**(471.38)**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

38 Other Comprehensive Income

(₹ in crores)

Particulars		For the Year 31st March, 2024	For the Year 31st March, 2023
A.	**Items that will not be reclassified to profit or loss**		
(i)	**Items that will not be reclassified to profit or loss**		
	Fair Value of Equity Instruments through OCI	2.98	0.06
	Remeasurement gain/ (loss) on defined benefit plans	(23.14)	(9.43)
		(20.16)	**(9.37)**
(ii)	**Income tax relating to items that will not be reclassified to profit or loss**		
	Fair Value of Equity Instruments through OCI	(0.75)	(0.02)
	Remeasurement gain/ (loss) on defined benefit plans	5.82	2.37
		5.07	**2.35**
B.	**Items that will be reclassified to profit or loss**		
(i)	Items that will be reclassified to profit or loss		
	Cash flow hedges	(5,735.17)	(5,192.67)
		(5,735.17)	**(5,192.67)**
(ii)	Income tax relating to items that will be reclassified to profit or loss		
	Cash flow hedges	1,443.43	1,306.89
		1,443.43	**1,306.89**

39 Financial Instruments and Risk Management

A Financial Instruments - Categories

The following table shows the classification and carrying values of various items of Financial assets and Financial liabilities:

(₹ in crores)

Particulars	For the Year 31st March, 2024			For the Year 31st March, 2023		
	FVOCI	FVTPL	Amortised Cost	FVOCI	FVTPL	Amortised Cost
Financial Assets (Current and Non-Current):						
Investments*	-	10,155.06	760.00	1.02	9,033.46	560.00
Trade Receivables	-	-	826.49	-	-	1,467.40
Cash and Cash Equivalents	-	-	1,893.20	-	-	1,079.90
Other Bank Balances	-	-	5,518.76	-	-	4,069.17
Other Financial Assets	1,798.51	19.77	1,768.44	4,334.72	10.34	2,124.84
Loans	-	-	1,181.03	-	-	182.64
Total Financial Assets	**1,798.51**	**10,174.83**	**11,947.92**	**4,335.74**	**9,043.80**	**9,483.95**
Financial Liabilities (Current and Non-Current):						
Borrowings	-	-	43,200.52	-	-	36,161.65
Lease Liabilities	-	-	2,025.04	-	-	2,246.34
Trade Payables	-	-	6,945.50	-	-	6,321.29
Buyers Credit / Vendor Financing	-	-	2,921.07	-	-	2,353.83
Other Financial Liabilities	-	-	5,717.99	-	-	4,843.87
Derivative Financial Instruments	5.55	16.33	-	-	16.90	-
Total Financial Liability	**5.55**	**16.33**	**60,810.12**	**-**	**16.90**	**51,926.98**

* The above investments does not include Equity investment in subsidiaries and Associates which are carried at cost.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

B. Fair Value Hierarchy

Level 1: It includes financial instruments measured using quoted prices. For the Company, the fair valuations in this level of hierarchy include listed equity instruments and mutual funds. The fair value of all equity instruments which are traded in the Stock Exchanges is valued using the closing price as at the reporting period and mutual funds are valued using closing NAV as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair valuations in this level of hierarchy for the Company mainly include derivatives.

Level 3: The instrument is included in level 3 if one or more of the significant inputs is not based on observable market data. Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes investment in unquoted Preference Shares.

Fair Value Hierarchy for Financial Assets and Liabilities measured at Fair Value -

(₹ in crores)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments	1,001.15	-	9,153.91	780.30	-	8,254.18
Derivative Financial Instruments	-	1,818.28	-	-	4,345.06	-
Non-current Loans	-	-	-	-	-	-
	1,001.15	**1,818.28**	**9,153.91**	**780.30**	**4,345.06**	**8,254.18**
Financial Liabilities						
Derivative Financial Liability	-	21.56	-	-	16.90	-
	-	**21.56**	**-**	**-**	**16.90**	**-**

There have been no transfers between Level 1 and Level 2 during the year.

Inputs other than included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2024.

Particulars	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Compulsory Convertible Preference Shares (refer note 6)	DCF Method	Weighted Average Cost of Capital	13.50%	0.1% Increase/Decrease would result in Increase /Decrease in fair value by approx. ₹ 47 crores as of 31st March,2024.

Reconciliation of Level 3 measurement:

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Opening Balance	**8,254.18**	**5,381.93**
Addition	899.73	5,884.18
Reclassification	-	(11.73)
Provision/write-off during the year	-	(588.40)
Realisation	-	(2,411.80)
Closing Balance	**9,153.91**	**8,254.18**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Fair Value of Financial Assets and Liabilities measured at Amortised Cost -

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Financial Assets				
Other Non-Current Financial Assets and Loans (Refer note 6(a),7,8 & 14)	3,076.94	3,101.73	2,107.95	2,133.53
	3,076.94	**3,101.73**	**2,107.95**	**2,133.53**
Financial Liabilities				
Lease Liabilities	1,955.22	2,025.04	2,194.10	2,246.34
Borrowings -Non current (Including Current Maturity)	41,380.30	43,200.52	31,586.71	33,616.01
Other Non Current Financial (Refer note 20)	1,408.88	1,430.63	1,540.31	1,563.06
	44,744.40	**46,656.19**	**35,321.12**	**37,425.41**

The carrying amounts of all other financial assets and liabilities carried at amortised cost are considered to be the approximately equal to their fair values.

The fair values as disclosed above are calculated based on discounted cash flows using a rate that reflects market risk.

C. Financial Risk Management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Company due to market risks, the Company enters into various derivative contracts. Derivatives are taken only to mitigate the risk and not for speculative purposes.

The Company's financial risk management is carried out by the Treasury & Risk Department under policies approved by the Board of Directors.

- Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk on deposits with banks and other parties, trade receivables, loans, mutual funds,derivative contracts and other financial assets. The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual limits are set accordingly. Certain bank deposits are placed as collateral / margin money to avail fund & non-fund based facilities from Banks / Financial Institutions. Hence, there is no significant credit risk on such Deposits.

Trade Receivable: The Company trades with recognized and creditworthy third parties. However, the Company is exposed to credit risk in event of non-payment by customers. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to identify any significant decline in credit worthiness of the customers. Generally, the Company does not enter into sales transaction with customers having credit loss history. Credit risk concentration with respect to trade receivables is mitigated by the Company's large customer base. Credit risk in majority of cases are mitigated by Letter of Credit / advances from the customer. In determining allowance for credit losses of trade receivables, the Company uses practical expedient by assessing credit risk which takes into account historical credit loss experience and is adjusted for forward looking information. Expected Credit Loss for 100% of the receivables are recognized if the receivable remains past due for more than 180 days from the due date or earlier if the credit risk for the specific receivable has changed.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

The credit quality of the Company's customers is monitored on an ongoing basis. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms. The ageing of trade receivables that are past due is given below:

(₹ in crores)

Particulars	As at 31st March, 2024		
	Gross Carrying Amount	Allowance for expected credit loss	Net carrying amount (net of expected credit loss)
Amounts not yet due	632.91	-	632.91
Up to six months overdue	233.80	40.22	193.58
Greater than six months overdue	63.12	63.12	-
	929.83	**103.34**	**826.49**

(₹ in crores)

Particulars	As at 31st March, 2023		
	Gross Carrying Amount	Allowance for expected credit loss	Net carrying amount (net of expected credit loss)
Amounts not yet due	1,299.10	-	1,299.10
Up to six months overdue	168.30	-	168.30
Greater than six months overdue	283.14	283.14	-
	1,750.54	**283.14**	**1,467.40**

For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The Credit risk on mutual fund investments, cash and cash equivalents, and other bank balances are limited as the counterparties are banks and fund houses with high-credit ratings assigned by credit rating agencies.

Of the year end, loans and other financial assets balance, are expected to be realised in the normal course of business and hence, are not considered impaired as at 31st March 2024 and 31st March 2023 except mentioned in respective notes.

- Liquidity risk

Liquidity risk is that the company might be unable to meet its obligations. Liquidity risk arises from mismatch in maturity profile of receipts and payments, funds locked in excess inventories etc.

The liquidity risks are dynamically managed through efficient scheduling of receipts and payments. Liquidity risks arising from excess inventory are managed through a mix of efficient supply chain management and just-in-time production schedules.

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual undiscounted payments:

(₹ in crores)

Particulars	As at 31st March, 2024				
	< 1 Years	1-2 Years	2-5 Years	> 5 Years	Total
Borrowings	4.88	1,001.06	14,749.05	20,498.90	36,253.89
Interest Payout	5,563.96	4,651.51	9,685.59	3,899.80	23,800.86
Trade Payables	6,945.50	-	-	-	6,945.50
Buyers' credit/Vendor Financing	2,921.07	-	-	-	2,921.07
Lease Liabilities	538.91	846.30	674.79	858.48	2,918.48
Other Financial Liabilities	4,414.25	252.14	756.42	945.52	6,368.33
Derivative Financial Instruments	21.56	-		-	21.56
Total	**20,410.13**	**6,751.01**	**25,865.85**	**26,202.70**	**79,229.69**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2023				
	< 1 Years	1-2 Years	2-5 Years	> 5 Years	Total
Borrowings	1.25	2,004.88	6,002.17	20,436.47	28,444.77
Interest Payout	3,950.84	3,366.42	7,549.93	5,392.62	20,259.81
Trade Payables	6,321.29	-	-	-	6,321.29
Buyers' credit/Vendor Financing	2,353.83	-	-	-	2,353.83
Lease Liabilities	582.44	1,064.96	462.67	917.90	3,027.97
Other Financial Liabilities	3,417.75	252.14	756.42	1,197.66	5,623.97
Derivative Financial Instruments	16.90	-	-	-	16.90
Total	**16,644.30**	**6,688.40**	**14,771.19**	**27,944.65**	**66,048.54**

Further, as mentioned in Note 46(b), the company has issued support letter to its subsidiary. Based on the expectations as at the end of reporting period, the Company considers that it is more likely than not that any amount shall be payable under the said arrangement. However, this estimate is subject to change depending upon the financial position of the subsidiary company in future.

- Market risk

The Company is exposed to Financial Market risks in its operations on account of:

- Foreign currency risk
- Interest rate risk
- Price Risk- Commodity and others

The Board has put in place detailed Market Risk Management Policy (RMP) documents and the market risks are managed by various functionaries in terms of these Policy documents. The same policy is followed during the year.

- Foreign Currency risk

The Company is exposed to foreign currency risk arising from export sales, operating and capital expenditure in foreign currency, foreign currency loans and economic exposure on account of mismatch between foreign currency and INR assets and liabilities. The risk is measured through a forecast of highly probable foreign currency cash flows. The Company enters into hedging transactions mainly to hedge the significant foreign currency risks from concluded and committed export sales, operating and capital expenditures and the foreign currency borrowings. The Company is mainly exposed to exchange risk from foreign currencies - USD & EUR. On the Capex project imports, the Company has some exposure to other currencies like JPY, CHF etc.

(a) The Company's exposure to foreign currency risk is as follows:

	As at 31st March, 2024					As at 31st March, 2023				
	USD	EUR	AED	Others	Total	USD	EUR	AED	Others	Total
Trade Receivables	232.79	36.31	-	-	269.10	382.10	35.16	-	-	417.26
Cash and Bank balances	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	0.23	0.14	0.01	0.13	0.51	0.17	0.68	0.03	0.07	0.95
Financial Assets	233.02	36.45	0.01	0.13	269.61	382.27	35.84	0.03	0.07	418.21
Net Exposure to Foreign Currency risk on Financial Assets	233.02	36.45	0.01	0.13	269.61	382.27	35.84	0.03	0.07	418.21
Borrowings	12,295.74	-	-	-	12,295.74	4,446.04	-	-	-	4,446.04
Trade Payables	535.60	41.03	43.55	17.68	637.86	1,153.88	4.70	-	0.19	1,158.77
Buyer's Credit	2,168.37	39.50		-	2,207.87	2,353.83	-		-	2,353.83
Creditors for Capital Expenditures	62.15	371.17	-	88.61	521.93	19.94	40.77	-	2.04	62.75

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

	As at 31st March, 2024					As at 31st March, 2023				
	USD	EUR	AED	Others	Total	USD	EUR	AED	Others	Total
Financial Liabilities	15,061.86	451.70	43.55	106.29	15,663.40	7,973.69	45.47	-	2.23	8,021.39
Covered by Derivative Contracts	298.36	-		-	298.36	1,830.47	-		-	1,830.47
Net Exposure to Foreign Currency risk on Financial Liabilities	14,763.50	451.70	43.55	106.29	15,365.04	6,143.22	45.47	-	2.23	6,190.92

(b) **Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on Other Comprehensive Income arises from application of hedge accounting on certain derivative contracts. The below sensitivity has been performed/computed on Net exposure.

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	On Profit before tax	On Equity	On Profit before tax	On Equity
USD sensitivity				
Increase by 5%	(726.52)	(543.67)	(288.05)	(215.55)
Decrease by 5%	726.52	543.67	288.05	215.55
EUR sensitivity				
Increase by 5%	(20.76)	(15.54)	(0.48)	(0.36)
Decrease by 5%	20.76	15.54	0.48	0.36
Others sensitivity				
Increase by 5%	(7.49)	(5.60)	(0.11)	(0.08)
Decrease by 5%	7.49	5.60	0.11	0.08

- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(a) **Floating Interest rate risk exposure**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Variable Rate Borrowings	12,295.74	4,436.47
Total Exposure	**12,295.74**	**4,436.47**

(b) **Sensitivity**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Impact on Company's Profit before tax/ (Loss), if interest rates had been 50 basis points higher/lower and all other variables were held constant.	61.48 (61.48)	22.18 (22.18)

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

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

Given the portfolio of investments in debt mutual funds, the Company has exposure to interest rate risk with respect to returns realised. It is estimated that an increase in 50 bps change in short term interest rates would result in a loss of approximately ₹5.01 crores (31st March, 2023: ₹3.90 crores) whereas a decrease in 50 bps change in short term interest rates would result in a profit of approximately ₹5.01 crores (31st March, 2023: ₹3.90 crores). This estimate is based on key assumption with respect to seamless transition of rates across debt instruments in the market and also basis the duration of debt instruments in turn held by mutual funds that the Company has invested in.

- Price risk

Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products. The Company faces fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31st March 2024.

The Company also bought Natural Gas from various suppliers under long term supply contracts, for use in DRI route of iron making and also for power generation during FY23-24. Most of the gas exposure was hedged for price risk and resulted in cost savings through lower 'cost of material', as the actual market prices were much higher than the hedged prices.

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

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity swaps (fixed rate forward contracts).

During FY23-24, the Company has undertaken Natural Gas hedging deals where pricing is linked to benchmarks like ICE Brent, JKM, TTF against contracted commercial exposure up to a tenor of calendar year 2030 (Highly probable exposure). The Company has also undertaken Coal hedging where pricing is linked to API4 Richard Bay South Africa Coal index.

(A) Fair Value of Forward / Derivatives held by the company

(₹ in crores)

Sr No.	Particulars	As at 31st March, 2024		As at 31st March, 2023	
		Assets	Liabilities	Assets	Liabilities
1	Foreign Currency forward contracts	19.77	16.01	10.34	16.90
2	Commodity Derivative Contracts	1,798.51	5.55	4,334.72	-

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(B) Notional value of outstanding Forward / Derivatives held

(₹ in crores)

		As at March 2024	As at March 2023
1	Foreign Currency forward contracts	3,276.01	3,897.84
2	Commodity Derivative Contracts	**10,446.39**	**13,369.45**

Other price risk

The Company's exposure to price risks from investments in equity shares is considered immaterial.

40 Capital Management

The company is an integrated steel producer and is in a capital-intensive industry. The Company has taken over strategic assets in sectors such as power, ports, mines etc., as opportunity arises through internal accruals and equity infused and borrowings from holding company.

The Company's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and other loans from holding company.

The Company continuously monitors its capital structure using gearing ratio which is net debt divided by total equity. Net debt includes interest-bearing borrowings less Cash and cash Equivalents, Other Bank Balances and current investments.

Gearing ratio information:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Borrowings (Refer Note 19 and 24)		43,200.52		36,161.65
Lease Liability Refer Note 48(b)		2,025.04		2,246.34
Total Borrowings		**45,225.56**		**38,407.99**
Less: Cash & Cash Equivalents, Other Bank Balances (Including non current deposits with Bank) (Refer note 8, 12 & 13)	7,437.36		5,175.02	
Current Investments [Refer 6(b)]	1,001.15		779.28	
		8,438.51		5,954.30
Net Debt (A)		**36,787.05**		**32,453.69**
Total Equity (B)		**42,388.90**		**39,698.50**
Gearing Ratio = (A/B)		**0.87**		**0.82**

41 Segment Information

AM/NS India is a large Steel conglomerate with operations at various locations in India, which include the manufacturing of pellet and steel products. The Company has invested significantly in Ports, Power and Shipping infrastructure at Hazira, Paradip and Vizag, which is mainly utilized for and to support steel and pellet manufacturing facilities at these respective locations. The management reviews the performance of the Company considering these assets as part of Steel business as a single operating segment.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(a) Revenue from Operations (Refer Note 29)

(₹ in crores)

Geographical Information	Year ended 31st March, 2023			Year ended 31st March, 2023		
	Domestic	Export*	Total	Domestic	Export	Total
Revenues (Income from operation)	45,594.35	11,839.97	57,434.32	46,332.15	7,066.95	53,399.10

Revenue from none of the customer exceeds 10% of total revenue of the company.

(b) Details of non-current operating assets other than financial instruments and Income / Deferred Tax Assets of the Company:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
India	53,443.03	42,554.86
Outside India	-	-

(c) Information regarding product is given in Note 29

*It includes gain on settlement of derivative instruments of ₹ 4,983.05 crores.

42 Derivative Instruments

Foreign exchange forward contracts

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.

Details of notional value of foreign exchange forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Forward purchase contracts (USD / INR)	447.27	3,495.99
Forward purchase contracts (USD/JPY)	205.30	-
Forward purchase contracts (EUR / USD)	2,623.44	401.85
Total	**3,276.01**	**3,897.84**

The fair value of the Company's foreign exchange forward contracts position recorded under financial assets and financial liabilities are as follows:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Forex Forward Cover	19.77	16.01	10.34	16.90

Cash Flow Hedges

The Company enters into commodity forward contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognised in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss. These hedges have been effective for the year ended 31st March, 2024 and 31st March, 2023.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Details of notional value of commodity forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Commodity forward contracts - Buy (Natural Gas)	9,974.82	10,419.14
Commodity forward contracts - Sell (Natural Gas)	188.84	2,950.31
Commodity forward contracts - Buy (Coal)	282.73	-
Total	**10,446.39**	**13,369.45**

The fair value of the Company's Commodity contracts position recorded under financial assets and financial liabilities are as follows:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Commodity Contracts	1,798.51	5.55	4,334.72	-

43 Other Information

i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii. The Company does not have any transactions/balances with companies struck off under section under section 248 of Companies Act, 2013.

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

iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Except below investment,

On 3rd May, 2023, the Company has invested ₹ 899.73 crores in AM Mining India Private Limited (CIN U13209DL2019PTC356902) (fellow subsidiary of the Company). The Company has complied with the requisite provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 in relation to such investments and the said transaction is not in violation of provisions of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Out of the above 897 crores has been further invested by AM Mining India Private Limited in AMNS Gandhidham Limited (formerly known as Indian Steel Corporation Limited) (CIN U27100GJ2004PLC152290) (fellow subsidiary of the Company and subsidiary of AM Mining India Private Limited) on 6th May, 2023.

Registered office of AM Mining India Private Limited is A-74 Nizamuddin East, New Delhi, South Delhi DL 110013 and registered office of AMNS Gandhidham Limited is 6th and 7th Floor, Raheja Towers, Plor C 30, Block G,Bandra Kurla Complex,Bandra (East) Mumbai – 400 051.

v. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

vi. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

vii. The Company have not been declared as wilful defaulter by any bank, financial institutions or other lender.

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

ix. The Company is maintaining its books of account in electronic mode and these books of account are accessible in India at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis.

x. The Company has availed Working Capital facilities / Capex LC facilities from various banks during the year on an unsecured basis i.e. without any security on current assets of the Company and there is no requirement to submit quarterly statements (DP statement, Stock statement). For facilities which are line on bank deposits, no quarterly statements are required to be submitted in that regards.

xi. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

xii. Pursuant to the provisions of Composite Scheme of Arrangement, which was approved by the Hon'ble National Company Law Tribunal Ahmedabad bech (NCLT), on 15th March, 2023 the company has been converted into a private limited company consequently, provision of section 177 concerning audit committee will not be applicable. The Company is taking necessary steps under the Companies Act, 2013 to give effect in this regard. Fresh Certification of incorporation from the Ministry of Corporate Affairs is awaited.

xiii. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to database by certain users, which Company is in the process to ensure compliance with requirements of the recently issued Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised) by the Institute of Chartered Accounts of India. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

xiv. There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

44. Related Party disclosures:

(A) List of related parties and relationships

(a) Holding Companies

1 AMNS Luxembourg Holding S.A – Ultimate Holding Company

2 Oakey Holding B.V - Holding Company

(b) Subsidiaries

1 AMNS International Limited FZ LLC*

2 AMNS Middle East FZE

3 AMNS Ports Hazira Limited* (w.e.f 15.11.2022)

4 AMNS Ports Paradip Limited* (w.e.f 15.11.2022)

5 AMNS Power Hazira Limited (w.e.f 19.10.2022)

6 AMNS Shipping and Logistics Private Limited (w.e.f. 23.06.2022)

7 AMNS Shared Services Limited (ceased to be subsidiary w.e.f. 25.10.2023)

8 AMNS Ports India Limited (w.e.f 15.11.2022)

9 AMNS Ports Shared Services Limited (w.e.f 15.11.2022)

10 Bhagwat Steel Limited (w.e.f 19.10.2022)

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

11 Essar Steel Trading FZE
12 AMNS Ports Vizag Terminal Limited (fka Essar Vizag Terminals Limited)* (w.e.f. 27.02.2024)
13 PT AM/NS Indonesia*
14 Snow White Agencies Private Limited (w.e.f 19.10.2022)
15 Nand Niketan Services Private Limited (w.e.f. 22.09.2023)
16 Essar Steel Offshore Limited & its subsidiaries (ceased to be subsidiary w.e.f. 08.05.2023)

* These are step down subsidiaries of direct subsidiaries of the Company.

(c) Fellow Subsidiaries (with whom the transaction have taken place)

1 AMNS Shared Services Limited (w.e.f. 25.10.2023)
2 AM Mining India Private Limited
3 AMNS Khopoli Limited (w.e.f. 10.11.2022)
4 AMNS Gandhidham Limited (w.e.f. 06.05.2023)
5 Texturing Technology Private Limited (w.e.f. 10.11.2022)

(d) Associates (with whom the transaction have taken place)

1 Essar Steel Processing FZCO
2 AM Green Energy Private Limited (w.e.f 22.08.2022)
3 New Age Education and Skills Foundation (w.e.f. 17.01.2023)

(e) Other Related Parties (with whom the transactions have taken place)

1 AFS Sedan
2 ArcelorMittal Design and Engineering Centre Pvt Ltd
3 ArcelorMittal DSTC FZCO
4 Arcelormittal Espana, S.A.
5 ArcelorMittal Europe SA
6 ArcelorMittal Exports Dmcc
7 Arcelormittal France
8 ArcelorMittal International Luxembourg SA
9 ArcelorMittal Neel Tailored Blanks Private Ltd.
10 ArcelorMittal Projects India
11 Arcelormittal SA
12 ArcelorMittal Shipping Limited
13 ArcelorMittal Singapore Private Limited
14 ArcelorMittal Sourcing SCA
15 ArcelorMittal Ventures India Private Limited
16 Arcelormittal China Co Ltd
17 Disteel
18 Ice Steel 1 Private Limited
19 Gestamp Automotive India Private Limited
20 Global Chartering Limited
21 Nippon Steel India Private Limited
22 Nippon Steel Pipe India Private Limited
23 Nippon Steel Rolls Corporation
24 Nippon Steel Trading Corporation
25 TRL Krosaki Refractories Limited
26 Umang Shipping Limited
27 Nippon Steel Engineering India Private Limited
28 Nippon Steel Engineering Co. Ltd.
29 ArcelorMittal Construction India Private Limited

(f) Key Management Personnel

1 Mr. Dilip Oommen, Director and CEO #
2 Mr. Tomomitsu Inada, Director & Vice President Technology #
3 Mr. Amit Harlalka, Chief Financial Officer #
4 Mr. Pankaj S Chourasia, Company Secretary

No transaction were entered with these related parties during the current and previous year.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Terms and conditions

Sales/Purchases:

The related party transactions are undertaken at arm's length pricing.

Loan Given:

The Company had given Loans to related parties for general corporate purposes.These Loans are unsecured, carry an interest rate ranging from 3.5% to 12% and receivable as per agreed terms.

Loan taken :

The Company had taken certain loans from related parties. The interest rates on loans are subject to a benchmarking study as per the underlying agreement and applicable regulations (Refer Note 57).

(B) During the year, following transactions were carried out with the related parties in the ordinary course of business:

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(a)	**Revenue from Operations**						
	AMNS Khopoli Limited	-	-	3,216.63	-	-	-
		-	-	(581.98)	-	-	-
	ArcelorMittal International Luxembourg SA	-	-	-	754.82	-	-
		-	-	-	(239.34)	-	-
	Others	-	96.63	14.44	155.85	80.81	-
		-	(83.90)	-	(469.48)	(20.36)	-
	Total	**-**	**96.63**	**3,231.07**	**910.67**	**80.81**	**-**
		-	**(83.90)**	**(581.98)**	**(708.83)**	**(20.36)**	**-**
(b)	**Sales of Property, Plant and Equipment & Capital Work-in-Progress**						
	AMNS Ports Hazira Limited	-	0.16	-	-	-	-
		-	(5.33)	-	-	-	-
	AMNS Gandhidham Limited	-	-	0.85	-	-	-
		-	-	-	-	-	-
	Others	-	0.07	-	-	-	-
		-	(295.44)	(0.90)	-	-	-
	Total	**-**	**0.23**	**0.85**	**-**	**-**	**-**
		-	**(300.77)**	**(0.90)**	**-**	**-**	**-**
(c)	**Purchase of Goods**						
	ArcelorMittal Sourcing SCA	-	-	-	196.88	-	-
		-	-	-	(175.17)	-	-
	Nippon Steel Trading Corporation	-	-	-	1,290.30	-	-
		-	-	-	(727.78)	-	-
	Others	-	-	148.16	48.66	-	-
		-	-	(0.04)	(342.44)	-	-
	Total	**-**	**-**	**148.16**	**1,535.85**	**-**	**-**
		-	**-**	**(0.04)**	**(1,245.40)**	**-**	**-**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(d)	**Purchase of Services**						
	Umang Shipping Limited	-	-	-	522.38	-	-
		-	-	-	(346.80)	-	-
	AMNS Ports Hazira Limited	-	1,146.16	-	-	-	-
		-	(404.40)	-	-	-	-
	AMNS Gandhidham Limited	-	-	560.15	-	-	-
		-	-	-	-	-	-
	Others	-	367.50	46.54	182.74	-	-
		-	(303.81)	(251.10)	(217.60)	-	-
	Total	**-**	**1,513.67**	**606.69**	**705.12**	**-**	**-**
		-	**(708.21)**	**(251.10)**	**(564.41)**	**-**	**-**
(e)	**Interest / Dividend Income**						
	AM Mining India Private Limited	-	-	18.17	-	-	-
		-	-	-	-	-	-
	AMNS Ports Hazira Limited	-	64.32	-	-	-	-
		-	-	-	-	-	-
	AMNS Power Hazira Limited	-	20.67	-	-	-	-
		-	-	-	-	-	-
	AMNS Ports Shared Services Private Limited	-	64.45	-	-	-	-
		-	-	-	-	-	-
	Others	-	13.66	-	-	-	-
		-	-	-	-	-	-
	Total	**-**	**163.11**	**18.17**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**	**-**
(f)	**Interest Expenses**						
	AMNS Luxembourg Holding S.A	713.17	-	-	-	-	-
		(243.84)	-	-	-	-	-
	Oakey Holding B.V	2,428.35	-	-	-	-	-
		(2,281.35)	-	-	-	-	-
	Others	(0.01)	56.40	-	-	-	-
		-	-	-	-	-	-
	Total	**3,141.52**	**56.40**	**-**	**-**	**-**	**-**
		(2,525.19)	**-**	**-**	**-**	**-**	**-**
(g)	**Miscellaneous Income**						
	AMNS Ports Hazira Limited	-	16.89	-	-	-	-
		-	(1.05)	-	-	-	-
	AMNS Khopoli Limited	-		10.95	-	-	-
		-		(0.64)	-	-	-
	Others	-	4.49	1.43	0.29	0.03	
		-	(16.10)	(12.78)	(0.14)	-	-
	Total	**-**	**21.39**	**12.38**	**0.29**	**0.03**	**-**
		-	**(17.15)**	**(13.42)**	**(0.14)**	**-**	**-**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(h)	**Remuneration & perquisites**						
	Mr. Pankaj S Chourasia	-	-	-	-	-	0.69
		-	-	-	-	-	(0.73)
	Total	**-**	**-**	**-**	**-**	**-**	**0.69**
		-	**-**	**-**	**-**	**-**	**(0.73)**
(i)	**Purchase of Capital Goods**						
	Nippon Steel Engineering India Private Limited	-	-	-	47.44	-	-
		-	-	-	-	-	-
	Nippon Steel Engineering Co. Ltd.	-	-	-	26.02	-	-
		-	-	-	-	-	-
	Others	-	-	-	4.32	-	-
		-	-	-	(40.74)	-	-
	Total	**-**	**-**	**-**	**77.77**	**-**	**-**
		-	**-**	**-**	**(40.74)**	**-**	**-**
(j)	**Miscellaneous Expenses**						
	ArcelorMittal Shipping Limited	-	-	-	-	-	-
		-	-	-	-	-	-
	Others	-	-	-	0.13	-	-
		-	(20.00)	(0.00)	(0.13)	-	-
	Total	**-**	**-**	**-**	**0.13**	**-**	**-**
		-	**(20.00)**	**(0.00)**	**(0.13)**	**-**	**-**
(k)	**Bad Debts/ Investment Written Off**						
	Essar Steel Offshore Limited	-	797.24	-	-	-	-
		-	-	-	-	-	-
	Others	-	-	-	-	-	-
		-	(609.38)	-	-	-	-
	Total	**-**	**797.24**	**-**	**-**	**-**	**-**
		-	**(609.38)**	**-**	**-**	**-**	**-**
(l)	**Reversal of provision for doubtful debts**						
	Essar Steel Offshore Limited	-	798.16	-	-	-	-
		-	-	-	-	-	-
	Others	-	-	-	-	-	-
		-	(609.38)	-	-	-	-
	Total	**-**	**798.16**	**-**	**-**	**-**	**-**
		-	**(609.38)**	**-**	**-**	**-**	**-**
(m)	**Investments made**						
	AM Mining India Private Limited	-	-	899.73	-	-	-
		-	-	(4,060.00)	-	-	-
	AMNS Ports Shared Services Private Limited	-	200.01	-	-	-	-
		-	-	-	-	-	-
	Others	-	0.77	-	-	13.00	-
		-	(891.00)	-	-	(39.01)	-
	Total	**-**	**200.78**	**899.73**	**-**	**13.00**	**-**
		-	**(891.00)**	**(4,060.00)**	**-**	**(39.01)**	**-**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(n)	**Investment Sold**						
	Oakey Holding B.V	3.72	-	-	-	-	-
		-	-	-	-	-	-
	Total	**3.72**	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**	**-**
(o)	**Balances written back**						
	AMNS Shared Services Limited	-	-	7.73	-	-	-
		-	-	-	-	-	-
	Total	**-**	**-**	**7.73**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**	**-**
(p)	**Security Deposits given**						
	AMNS Ports Hazira Limited	-	-	-	-	-	-
		-	(200.00)	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**
		-	**(200.00)**	**-**	**-**	**-**	**-**
(q)	**Security Deposits repaid**						
	AMNS Power Hazira Limited	-	298.00	-	-	-	-
		-	(268.50)	-	-	-	-
	Others	-	-	-	-	-	-
		-	(2,000.00)	-	-	-	-
	Total	**-**	**298.00**	**-**	**-**	**-**	**-**
		-	**(2,268.50)**	**-**	**-**	**-**	**-**
(r)	**Loans given**						
	AM Mining India Private Limited	-	-	220.00	-	-	-
		-	-	(20.00)	-	-	-
	AMNS Shipping and Logistics Private Limited	-	115.00	-	-	-	-
		-	-	-	-	-	-
	AMNS Ports India Limited	-	90.00	-	-	-	-
		-	-	-	-	-	-
	AMNS Ports Vizag Terminal Limited	-	66.40	-	-	-	-
		-	-	-	-	-	-
	Total	**-**	**271.40**	**220.00**	**-**	**-**	**-**
		-	**-**	**(20.00)**	**-**	**-**	**-**
(s)	**Loans repaid**						
	AM Mining India Private Limited	-	-	105.00	-	-	-
		-	-	-	-	-	-
	Others	-	10.54	-	-	-	-
		-	-	-	-	-	-
	Total	**-**	**10.54**	**105.00**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**	**-**
(t)	**Grant given**						
	New Age Education and Skills Foundation	-	-	-	-	219.41	-
		-	-	-	-	(7.10)	-
	Others	-	-	-	9.20	-	
		-	-	-	-	-	-
	Total	**-**	**-**	**-**	**9.20**	**219.41**	**-**
		-	**-**	**-**	**-**	**(7.10)**	**-**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(u)	**Loan Taken**						
	AMNS Luxembourg Holding S.A	7,695.41	-	-	-	-	-
		-	-	-	-	-	-
	Total	**7,695.41**	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**	**-**
(v)	**External Commercial Borrowings repaid**						
	AMNS Luxembourg Holding S.A	-	-	-	-	-	-
		(328.25)	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**
		(328.25)	**-**	**-**	**-**	**-**	**-**
(w)	**Reimbursement of Expenses**						
	Arcelormittal SA	-	-	-	20.91	-	-
		-	-	-	-	-	-
	Others	-	1.42	-	0.01	-	-
		-	-	-	(3.09)	-	-
	Total	**-**	**1.42**	**-**	**20.92**	**-**	**-**
		-	**-**	**-**	**(3.09)**	**-**	**-**
(x)	**Recovery of Expenses**						
	AMNS Power Hazira Limited	-	1.86	-	-	-	-
		-	-	-	-	-	-
	AMNS Ports Paradip Limited	-	11.49	-	-	-	-
		-	(3.74)	-	-	-	-
	PT AM/NS Indosnesia	-	2.10	-	-	-	-
		-	-	-	-	-	-
	Others	-	-	0.03	0.12	-	-
			-	-	(0.27)	-	-
	Total	**-**	**15.45**	**0.03**	**0.12**	**-**	**-**
		-	**(3.74)**	**-**	**(0.27)**	**-**	**-**

*Compensation of Key Management Personnel of the Company:

Nature of Transaction	2023-24	2022-23
Short-term employee benefits	0.60	0.69
Post-employee benefits	0.09	0.04
Total**	**0.69**	**0.73**

**Remuneration does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(C) Balance outstanding at year end:

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Associate	Other Related Parties
(a)	**Investments**					
	AM Mining India Limited	-	-	7,329.73	-	-
		-	-	(6,430.00)	-	-
	AMNS Ports India Limited	-	10,268.60	-	-	-
		-	(10,268.57)	-	-	-
	AMNS Ports Shared Services Limited	-	4,965.66	-	-	-
		-	(4,765.50)	-	-	-
	Others	-	5,244.27	-	52.26	-
		-	(6,041.88)	-	(39.26)	-
	Total	**-**	**20,478.53**	**7,329.73**	**52.26**	**-**
		-	**(21,075.95)**	**(6,430.00)**	**(39.26)**	**-**
(b)	**Trade Receivables**					
	ArcelorMittal International Luxembourg SA	-	-	-	-	109.96
		-	-	-	-	(39.01)
	AMNS Khopoli Limited	-	-	73.42	-	-
		-	-	(484.15)	-	-
	Others	-	21.49	1.66	-	8.66
		-	(64.62)	(0.03)	(0.32)	(9.23)
	Total	**-**	**21.49**	**75.08**	**-**	**118.63**
		-	**(64.62)**	**(484.18)**	**(0.32)**	**(48.24)**
(c)	**Other Advance/Receivables**					
	AMNS Middle East FZE	-	225.22	-	-	-
		-	(222.09)	-	-	-
	Nippon Steel Engineering India Private Limited	-	-	-	-	58.05
		-	-	-	-	(34.63)
	AMNS Ports Shared Services Limited	-	66.67	-	-	-
		-	-	-	-	-
	Others	-	51.90	29.36	-	20.78
		-	(86.04)	(13.05)	-	(9.65)
	Total	**-**	**343.79**	**29.36**	**-**	**78.83**
		-	**(308.13)**	**(13.05)**	**-**	**(44.28)**
(d)	**Deposits Given**					
	AMNS Power Hazira Limited	-	74.22	-	-	-
		-	(374.33)	-	-	-
	Total	**-**	**74.22**	**-**	**-**	**-**
		-	**(374.33)**	**-**	**-**	**-**
(e)	**Trade and other payables**					
	Nippon Steel Trading Corporation	-	-	-	-	443.45
		-	-	-	-	-
	AMNS Ports Hazira Limited	-	600.99	-	-	-
		-	(93.09)	-	-	-
	AMNS Gandhidham Limited	-	-	200.40	-	-
		-	-	-	-	-
	Others	-	127.21	9.26	-	131.38
		-	(7.01)	(15.51)	-	(46.59)
	Total	**-**	**728.20**	**209.66**	**-**	**574.83**
		-	**(100.10)**	**(15.51)**	**-**	**(46.59)**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Associate	Other Related Parties
(f)	**Advance From Customers**					
	Essar Steel Trading FZE	-	2.09	-	-	-
		-	(2.09)	-	-	-
	ArcelorMittal Construction India Private Limited	-	-	-	-	0.52
		-	-	-	-	-
	Others	-	0.06	0.00	-	0.19
		-	-	-	-	(0.79)
	Total	**-**	**2.15**	**0.00**	**-**	**0.71**
		-	**(2.09)**	**-**	**-**	**(0.79)**
(g)	**Loans Given/Invocation of SBLC**					
	AMNS Middle East FZE	-	2,534.91	-	-	-
		-	(2,499.73)	-	-	-
	AMNS Ports Vizag Terminal Limited	-	665.45	-	-	-
		-	-	-	-	-
	Others	-	232.52	283.32	-	-
		-	(37.00)	(168.31)	-	-
	Total	**-**	**3,432.88**	**283.32**	**-**	**-**
		-	**(2,536.73)**	**(168.31)**	**-**	**-**
(h)	**Bonds (incl. interest)**					
	Oakey Holding BV	30,897.71	-	-	-	-
		(29,161.64)	-	-	-	-
	Total	**30,897.71**	**-**	**-**	**-**	**-**
		(29,161.64)	**-**	**-**	**-**	**-**
(i)	**External Commercial Borrowings (incl interest)**					
	AMNS Luxembourg Holding S.A	12,295.74	-	-	-	-
		(4,446.04)	-	-	-	-
	Total	**12,295.74**	**-**	**-**	**-**	**-**
		(4,446.04)	**-**	**-**	**-**	**-**
(j)	**Capital contribution**					
	Oakey Holding BV	272.46	-	-	-	-
		(272.46)	-	-	-	-
	AMNS Luxembourg Holding S.A	1,725.25	-	-	-	-
		(1,725.25)	-	-	-	-
	Total	**1,997.71**	**-**	**-**	**-**	**-**
		(1,997.71)	**-**	**-**	**-**	**-**
(k)	**Lease liability**					
	AMNS Power Hazira Limited	-	644.12	-	-	-
		-	(808.42)	-	-	-
	Total	**-**	**644.12**	**-**	**-**	**-**
		-	**(808.42)**	**-**	**-**	**-**
(l)	**Provision for doubtful debt/ impairment/ fair valuation**					
	AMNS Middle East FZE	-	2,760.12	-	-	-
		-	(2,721.82)	-	-	-
	Others	-	86.74	-	-	-
			(891.93)	-	-	-
	Total	**-**	**2,846.86**	**-**	**0.25**	**-**
		-	**(3,613.75)**	**-**	**(0.25)**	**-**

Note :

1) *Figures mentioned in bracket are previous year figure.*

2) *Financial Support to Subsidiaries (Refer Note 46(b)).*

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

45 Claimes against the Company not acknowledged as liabilities/Contingent Liabilities- (Not provided for)

(₹ in crores)

Particulars		As at 31st March, 2024	As at 31st March, 2023
1	Cross Subsidy:	378.03	196.87

The Company was a consumer of Dakshin Gujarat Vij Company Ltd. ("DGVCL") and it was continued to obtain power till year 2012. In year 2013, the Company was connected to the Central Transmission Utility ("CTU") after disconnecting from the State Transmission Utility ("STU") and the power supply agreement with DGVCL was terminated. However, DGVCL has continued to raise demands for Cross Subsidy Surcharge (CSS) upon the Company for its power consumption including on the power procured from its captive power plants. In 2014, the Company filed a Petition before Gujarat Electricity Regulatory Commission (GERC) seeking a declaration that CSS was not payable on power being procured from captive generating plants. Thereafter, in year 2016, the Company filed Petition before the GERC contending that no CSS would be payable to DGVCL, since the Company had disconnected itself from the STU network and was an independent regional entity as approved by the 2013 CERC Order.

In August 2017, CIRP of the Company commenced and AMIPL's Resolution Plan was approved by the Supreme Court (SC) vide its judgment dated 15th November, 2019 and claim of DGVCL got extinguished due to pendency of disputes with regard to these claims. DGVCL had filed a review petition before the SC which was rejected both on delay and merits.

GERC in its order dated 10th July, 2023 held that, the Company is liable to pay CSS for the period post December 2019. For the period prior to 16th December, 2019, the liability towards CSS would be as per the SC Judgement in ESIL CIRP dated 15th November, 2019, the Gujarat High Court judgment dated 24th February, 2023 and the order passed in that proceedings. Further, the Company is at liberty to get a certificate regarding its captive status from the Chief Electrical Inspector, State of Gujarat. The arguments in the review petitions have been concluded on June 3,2024 and written submissions have to be filed.

In parallel, DGVCL had filed Petition no. 186/MP/2021 at CERC in relation to the outstanding CSS amounts for the period post December 2019, alleging continued violation of the 2013 CERC Order by non-payment of cross subsidy surcharge. DGVCL sought recall of the 2013 order granting connectivity to the CTU network and regional entity status.

DGVCL vide its letter dated 25th August, 2023, raised demand of ₹ 5,285.90 crores as total amount pending CSS as on 10th July, 2023 which includes CSS along with Delay Payment charges up to December 2019 ₹ 3,724.02 crores and ₹ 1,562.88 crores from January 20 to June 23.

Further to CERC orders, the Company has remitted an amount of ₹ 129.44 crores to DGVCL on April 08, 2024 and a further amount of ₹ 129.44 crores on June 07, 2024 being 20% of the principal outstanding amount of ₹ 1,294.44 crores (as claimed by DGVCL and subject to reconciliation on an ad hoc basis) on a strictly without prejudice basis, and in furtherance of its bona fides to arrive at an amicable settlement. The Commission further permitted the parties to explore the amicable settlement of all outstanding issues for the payment of the arrears pertaining to CSS and to place the outcome of the discussions before the next date of hearing.

The Company has started making payment of CSS amount from July 2023 onwards. In the event of a favorable outcome for the Company in its review petition before GERC, DGVCL would not have any right to recover either CSS or any delay payment charges therein. The Company has considered principal amount of CSS other than related to captive power generation amounting to ₹ 1,216.66 crores from Jan 2020 to June 2023 as 'probable' and has made provision against the same on a without prejudice basis. As per provision of section 38 of Electricity Act, cross subsidy surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying electricity to the destination of its own use. Accordingly, the Company has considered CSS on captive power generation amounting to ₹ 77.78 crores as remote.

Further based on CERC order, as the Company is exploring amicable settlement of all outstanding issues for the payment of the arrears pertaining to CSS, the Company believes (supported by legal opinion) that it has a fair chance and reasonable possibility of succeeding in this matter including delay payment surcharge, considering which, the Company has classified the delay payment charges as 'Possible' and accordingly disclosed as contingent liabilities in these financials statements.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

2 Right to Use Charges:

ArcelorMittal Nippon Steel India Ltd. formerly known as Essar Steel India Ltd. ("AMNSI/ESIL") and Odisha Slurry Pipeline Infrastructure Ltd. ("OSPIL")(currently known as Utkal Pipeline Infrastructure Limited) entered into a Business Transfer Agreement ("BTA") dated 27th February, 2015 pursuant to which a 253 km slurry pipeline from Dabuna to Paradip ("Slurry Pipeline") was agreed to be transferred from ESIL to OSPIL. ESIL and OSPIL also entered into a Right to Use Agreement ("RTUA") dated 30th March, 2015 granting ESIL the right to use the Slurry Pipeline. Thereafter, pursuant to clarification from RBI, ESIL and OSPIL executed a Deed of Cancellation dated 24th June 2016, to reverse the BTA and the RTUA ("Cancellation Deed"), and consequently recorded back the Pipeline as part of property, plant and equipment of ESIL.

SREI Infrastructure Finance Limited ("SIFL"), being a creditor of OSPIL, filed a civil suit before the Civil Judge (Senior Division) at Sealdah ("Sealdah Court") seeking annulment of the Cancellation Deed, and upon its request for interim relief being rejected by the Sealdah Court, SIFL filed an appeal in Calcutta High Court. The Calcutta High Court on 22nd December, 2016 passed an ex-parte order directing status-quo to be maintained with regard to alienation and transfer of the Slurry Pipeline. On 9th January, 2023, the underlying civil suit at Sealdah Court was dismissed. SIFL has filed an application seeking restoration of the suit before the Sealdah Court, which application is currently pending consideration.

Meanwhile, ESIL was admitted into a corporate insolvency resolution process (CIRP) by the National Company Law Tribunal ("NCLT") vide an order dated 2nd August, 2017 ("ESIL CIRP"). The Resolution Plan for ESIL CIRP was approved finally by the Supreme Court on 15th November, 2019 ("ESIL SC Judgment") and pursuant to its implementation, ESIL was acquired and renamed as ArcelorMittal Nippon Steel India Limited viz. AMNSI.

On 5th March, 2020, SIFL, acting as a financial creditor of OSPIL, filed an application before NCLT, Ahmedabad, seeking payment of usage charges of approximately ₹ 1,300 crores for usage of the Slurry Pipeline to OSPIL during ESIL CIRP period. By an Order of 10th November, 2020, NCLT held usage charges to be payable by ArcelorMittal India Private Limited (AMIPL)/AMNSI as CIRP costs (NCLT Order). Being aggrieved, both, AMIPL (the Resolution Applicant of ESIL and OSPIL) and AMNSI (as erstwhile Corporate Debtor), preferred separate appeals before NCLAT, The NCLAT while admitting both the appeals vide order dated 4th December, 2020 and 8th December, 2020, respectively granted a stay upon the NCLT Order. Any claim arising out of these proceedings, is accordingly, subject to the outcome of said appeals filed by AMIPL and AMNSI and of any subsequent appeals in the matter or settlement, if any. In view of the management, supported by a legal opinion, likelihood of any potential liability of the Company in relation to these usage charges in the pending appeals is remote and there is high probability of success for the Company in the above matter.

3 Gas Supply Agreement:

Consequent to implementation of resolution plan, all claims and liabilities (including claims of governmental authorities in relation to all taxes) whether contingent or crystallized, known or unknown, filed or not against the Company attributable to the period prior to 16th December, 2019 stand extinguished.

During the year, one vendor raised a demand of ₹ 16,129.12 crores (including interest of ₹ 6,666.98 crores) pertaining to a contract entered into and terminated in pre-IBC period and filed a petition at HC Delhi, seeking appointment of an arbitrator on behalf of AMNSI. The Delhi HC, declined to refer the matter on the ground that the Resolution Plan was approved, and the same resulted in extinguishment of all claims. The matter was referred to Supreme Court of India (SC) and SC referred the matter to arbitration by a consent order while keeping all the rights and contentions of the parties, including on the question of arbitrability, open. The arbitration Tribunal has been constituted and hearing is scheduled for the same. However, basis the legal opinion obtained by the Company, the Company believes that demand from vendor is remote as the case pertains to pre-IBC period and there is no ''live claim'' that can be decided in arbitration, as they have been covered/extinguished under the Resolution Plan.

46 Commitments

(₹ in crores)

Particulars	31st March, 2024	31st March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	24,366.60	22,868.95

(b) Current liabilities of AMNS Middle East FZE (AMNSME) (the wholly owned subsidiary of the company) has exceeded its current assets as on 31st March, 2024. The Company has its present intention that it will provide financial support for at least twelve months from the date of authorisation of financial Statement to AMNSME if required, to continue its operations and to meet its liability towards Company's Loan and Trade Payables of AMNSME.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

47 Employee Benefits

(i) Defined Contribution Plan

The Company has a defined contribution plan whereby contribution are made to provident fund and ESIC in India for employees at a percentage of Payroll cost as per regulations. Contributions are made to registered fund administered by Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation. Company's contribution to Provident fund and ESIC aggregating to ₹ 34.56 crores (Previous Year : ₹ 28.45 crores) and ₹ 8.58 Crores (Previous Year : ₹ 2.69 crores) are recognised in the statement of profit and loss and capital work in progress respectively.

(ii) Defined Benefit Plan

The Company has a defined benefit Gratuity plan. Every employee who has completed five years or more of service gets a Gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The plan is funded through a Gratuity Scheme administered by a separate fund that is legally separate from the entity.

The following table summarizes the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet :

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Net employee benefit expense recognised in the statement of profit and loss		
Current Service Cost	11.07	8.71
Net Interest/ Expenses	1.55	1.07
Expenses Recognised in the statement of profit and loss	**12.62**	**9.78**
Other Comprehensive Income		
Actuarial (gain)/loss recognised in the year due to Experience adjustments	20.40	7.44
Actuarial (gain)/loss recognised due to Financial assumption	3.89	-
Actuarial (gain)/loss recognised due to Demographic assumption	(0.38)	1.60
Actuarial (gain)/loss arising on the liability during the period	**23.91**	**9.04**
Add: Return on Plan Assets (greater)/less than discount rate	(0.77)	0.39
Actuarial Loss/(Gain) recognised in OCI	**23.14**	**9.43**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance Sheet		
Details of provision		
Defined Benefit Obligation	(181.93)	(143.57)
Fair value of Plan Assets	132.56	114.64
Funded Status [Surplus/(Deficit)]	**(49.37)**	**(28.93)**
Net Defined Benefit Asset/(Liability)	**(49.37)**	**(28.93)**
Changes in the present value of the defined benefit obligation are as follows:		
Projected Benefit Obligations (PBO) at the beginning of the year	143.34	122.18
Service Cost	11.07	8.71
Interest Cost	10.23	8.15
Actuarial (gain)/loss - experience	20.40	7.44
Actuarial (gain)/loss - demographic assumptions	(0.38)	(0.03)
Actuarial (gain)/loss - financial assumptions	3.89	1.63
Benefits paid	(6.62)	(4.74)
PBO at the end of the year	**181.93**	**143.34**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Changes in the fair value of plan assets are as follows:		
Fair Value of plan assets at the beginning of the year	114.64	100.15
Interest income on plan assets	8.68	7.08
Contributions	15.09	12.55
Benefits paid	(6.62)	(4.74)
Return on plan assets greater/(less) than discount rate i.e 7%	0.77	(0.40)
Fair Value of plan assets at the end of the year	**132.56**	**114.64**

The Company expects to contribute ₹ 17.11 crores (Previous Year : ₹ 15.24 crores) to its gratuity plan for the next year.

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Expected contribution to the defined benefit plan for the next annual reporting period		
Less than 1 year	17.11	15.24
Between 2 to 5 years	83.95	69.09
Over 5 years	132.56	104.09
Weighted Average duration of the defined benefit obligation	**8 years**	**8 years**
Investment details of plan assets		
Plan assets comprise of Schemes of Insurance - Conventional products. The above plan assets have been invested in the qualified insurance policies.		

Sensitivity analysis for Defined Benefit Plan

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Sensitivity Analysis - Impact on DBO- Gratuity

(₹ in crores)

Particulars	As at 31st March, 2024		As at 29th February, 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (0.5% movement)	(6.41)	6.82	(4.82)	5.13
Salary Escalation Rate (0.5% movement)	3.81	(3.81)	3.21	(3.20)
Withdrawal Rate (3% movement)	0.25	(0.87)	(0.18)	(0.09)
Defined Benefit Cost				
Assumptions				
Discount rate		7.00%		7.30%
Salary escalation rate		9.50%		9.50%
Withdrawal rate		8.50%		9.50%
Mortality	Indian Assured Lives Mortality (2006 - 08) Ult. Modified			

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Net Asset/(Liability) recognised in Balance Sheet

(₹ in crores)

Particulars	As at 31st March, 2024		As at 29th February, 2024	
	Current	Non Current	Current	Non Current
Gratuity	-	(49.37)	-	(28.93)

The Company is exposed to the following Risks in the defined benefits plans :

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by increase in the return on the plan's debt investments.

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

Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan's liability.

b) **Other long term benefits:**

Compensated Absences

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

(₹ in crores)

Particulars	As at 31st March, 2024		As at 29th February, 2024	
	Current	Non Current	Current	Non Current
Compensated Absences	(4.85)	(33.57)	(3.94)	(21.99)

48 Leases

The leases are used in ordinary course of business and includes office space, lease-hold land and plant & machinery with lease term between 3 to 99 years.

a) Following are the changes in the carrying value of right of use assets for the year ended 31st March, 2024:

(₹ in crores)

Particulars	Land	Buildings	Plant & Machinery	Total
Opening Balance as on 1st April 2023	379.75	52.55	1,764.99	2,197.29
Additions	279.47	19.11	-	298.58
Deletions	-	(4.45)	-	(4.45)
Depreciation	(7.33)	(15.28)	(342.50)	(365.11)
Closing Balance as on 31st March 2024	**651.89**	**51.93**	**1,422.49**	**2,126.31**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	Land	Buildings	Plant & Machinery	Total
Opening Balance as on 1st April 2022	375.09	52.00	2,190.59	2,617.68
Additions (including remeasurement)	9.42	15.28	390.36	415.06
Deletions	-	-	(387.42)	(387.42)
Depreciation	(4.76)	(14.73)	(428.54)	(448.03)
Closing Balance as on 31st March 2023	**379.75**	**52.55**	**1,764.99**	**2,197.29**

b) The following is the movement in lease liabilities:

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening Balance	2,246.34	2,598.24
Additions	184.29	405.64
Finance cost accrued during the year	163.24	221.70
Deletions	(5.48)	(387.42)
Principal Payment of lease liabilities	(400.11)	(370.12)
Interest Payment of lease liabilities	(163.24)	(221.70)
Closing Balance	**2,025.04**	**2,246.34**
Lease Liability - Current	418.55	423.37
Lease Liability - Non Current	1606.49	1,822.97
Closing Balance	**2,025.04**	**2,246.34**

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

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Less than one year	538.91	582.44
One to five years	1,521.09	1,527.63
More than five years	858.48	917.90
Total	**2,918.48**	**3,027.97**

d) Amount recognised in Statement of Profit and Loss on account of lease:

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Short term Leases and Low Value Leases	67.51	62.02
Interest expense on lease liabilities	163.24	221.70
Depreciation expense of right-of-use assets	365.11	448.03
Total	**595.86**	**731.75**

e) The Company had total cash outflows for leases of ₹ 563.35 crores for the year 31st March, 2024 (₹ 591.82 crores for the year 31st March, 2023).

f) The maturity analysis of lease liabilities are disclosed in Note 39 -Liquidity Risk Management

g) The effective interest rate for lease liabilities ranges from 7.3% to 12% with maturity between 2024-2113.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

49 Earnings Per Share

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Profit attributable to Equity Shareholders	6,997.23	2,186.95
Weighted average number of shares for the purpose of calculating basic and diluted earning per share (in nos.) (Refer Note 17 for No. of shares)	25,041,306,142	25,041,306,142
Basic and diluted earnings per Equity share of ₹ 10 each (in Rupees)	2.79	0.87

50 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006.

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

(₹ in crores)

	Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
(a)	The Principal amount and the interest due thereon remaining unpaid to supplier as at the end of year:		
	Principal amount due to Micro and Small enterprises	165.72	175.50
	Interest due to Micro and Small enterprises	0.22	0.38
(b)	Interest paid to the supplier as per sec 16 of MSMED Act, 2006	-	-
(c)	Payments made to supplier beyond the appointed day during the year	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.22	0.38
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	0.08	0.14

51 Exceptional Items

(₹ in crores)

	Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
1	Write off of Loan receivables (Refer Note 55)	-	588.40
2	Provision for Disputed Claims1	-	546.84
3	Reversal of Impairment on assets2	-	(482.83)
		-	**652.41**

1 During the previous year, read with Note 45(1),the Company made provision in relation to disputed claims taking into consideration the subsequent order issued by the authorities, which were disclosed as contingent liability in the earlier years. These provision were made without prejudice on the basis of legal opinion obtained and the Company believes it has reasonable grounds to continue to defend its position with authorities.

2 Considering the change in internal and external indicators, the Company reassessed the impairment of land, accounted in past years, with assistance of independent valuation expert and acceptable market valuation principles. This resulted in reversal of impairment loss in the previous year of ₹ 482.83 crores. The Company believes such reversals are not in the regular course of operations and thus was accounted and disclosed as exceptional item in Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

52 Ratio Analysis

Sr.	Ratio	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	Variance	Reason for Variance
1	Current ratio	Current Assets	Current Liabilities	1.14	1.19	-4.41%	
2	Debt to Equity Ratio	Total Debt	Shareholder's Equity	1.07	0.97	10.28%	
3	Debt Service Coverage ratio	Earnings for debt service = Net Profit before taxes + Non-cash operating expenses (depreciation)+ Finance Cost + Loss on sale/disposal/write off of PPEs (net)	Debt service = Interest & Lease Payments + Principal Repayments of Long term Borrowings	3.67	2.07	77.55%	Refer note A below
4	Return on Equity (%)	Net Profits after taxes	Average Shareholder's Equity	17.05%	5.39%	216.12%	Refer note B below
5	Inventory Turnover (Days)	Average Inventory	Cost of Goods Sold*	94.10	89.30	5.38%	
6	Trade Receivable Turnover (Days)	Average Trade Receivables	Revenue from Operations	7.29	9.69	-24.77%	
7	Trade Payable Turnover (Days)	Average Trade Payables	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories	58.10	41.96	38.45%	Refer note C below
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	18.00	3.06	488.94%	Refer note D below
9	Net Profit ratio (%)	Net Profit	Revenue from Operations	12.18%	4.10%	197.47%	Refer note E below
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liabilities	13.79%	7.51%	83.65%	Refer note F below
11	Return on Investment i.e Mutual Funds (%)	Profit generated on sale of investment	Cost of Investment	7.05%	5.00%	40.93%	Refer note G below

* Cost of Goods Sold = Cost of Material Consumed + Purchase of Stock in Trade + Changes in Inventories + Power & Fuel + Stores & Spares consumed +Repair & Maintenance + Job Work Charges + Labour Charges

A - Debt Service Coverage ratio has increased due to increase in profitability during the current year, thereby increasing the earnings available for debt service coverage as compared to previous year.

B- Return on Average Equity ratio has increased due to increase in profitability during the current year.

C - Payable Turnover Ratio has increaased due to increase in acceptances and buyers credit / vendor financing during the current year.

D - Increase in Capital Turnover Ratio due to decrease under average working capital compare to previous year.

E - Net profit ratios have improved due to increase in net profit in current year.

F - ROCE has increased due to increased in EBIT compare to previous year.

G - Ratios have improved due to increase in realised gain on sale of mutual fund.

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

53 Corporate Social Responsibility (CSR) expenditure:

During the year no amount (March 31, 2023 ₹ Nil) is required to be spent in relation to Corporate Social Responsibility ('CSR') as per the applicable provisions of Companies Act, 2013. However, following CSR expenses has been incurred on voluntary basis by the Company.

(₹ in crores)

	Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	322.18	102.90
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	Not Applicable	Not Applicable
6	Nature of CSR activities	Health, Education, Livelihood, Sports & Culture, Infrastructure, Environment, Admin etc.	
7	Contribution to related Party (Refer Note 44)	219.41	7.10
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

9 Amount spent during the year ending on 31st March, 2024:

(₹ in crores)

	Particulars	For the Year, 31st March, 2024		
		In cash	Yet to be paid in cash	Total
i)	Construction/acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	322.18	-	322.18

Amount spent during the year ending on 31st March, 2023:

(₹ in crores)

	Particulars	For the Year, 31st March, 2023		
		In cash	Yet to be paid in cash	Total
i)	Construction/acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	102.90	-	102.90

10 Details related to spent / unspent obligations:

(₹ in crores)

	Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
i)	Contribution to Public Trust	-	-
ii)	Contribution to Charitable Trust	-	-
iii)	Contribution to a trust controlled by the company (under Section 8 of the companies Act)	219.41	7.10
iii)	Unspent amount in relation to:		
	- Ongoing project	-	-
	- Other than ongoing project	-	-

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

11 Details of ongoing project and other than ongoing project

As at 31st March, 2024

(₹ in crores)

Particulars	Opening Balance		Amount required to be spent during the year	Amount spent during the year From Company's bank A/c		Closing Balance	
	With Company	From Separate CSR Unspent A/c		With Company	From Separate CSR Unspent A/c	With Company	From Separate CSR Unspent A/c
In case of S. 135(6) (Ongoing Project)	102.90	-	-	322.18	-	425.08	-
In case of S. 135(5) (Other than ongoing project)	-	-	-	-	-	-	-

As at 31st March, 2023

(₹ in crores)

Particulars	Opening Balance		Amount required to be spent during the year	Amount spent during the year From Company's bank A/c		Closing Balance	
	With Company	From Separate CSR Unspent A/c		With Company	From Separate CSR Unspent A/c	With Company	From Separate CSR Unspent A/c
In case of S. 135(6) (Ongoing Project)	-	-	-	102.90	-	102.90	-
In case of S. 135(5) (Other than ongoing project)	-	-	-	-	-	-	-

The board has approved CSR expenditures of ₹ 329.80 crore for calander year 2024 and ₹ 250 crores for calander year 2023.

54 Pursuant to the Composite Scheme of Arrangement among ArcelorMittal India Private Limited (Transferor Company/ Amalgamating company/AMIPL) and AM Associates India Private Limited (Transferee Company/AMAIPL) and ArcelorMittal Nippon Steel India Limited (Amalgamated Company/AMNSIL) under Sections 230-232 and other applicable provisions of the Companies Act, 2013 which was approved by the Hon'ble National Company Law Tribunal Ahmedabad bench, (NCLT) vide order dated 15th March, 2023, which provides for the transfer and vesting of the transferred undertaking (as defined in the said Scheme) of AMIPL to AMAIPL, reduction of equity share capital of AMIPL and upon the aforesaid steps having been undertaken, the amalgamation of AMIPL (comprising of residual business undertaking as defined under Schedule - A of the said Scheme) into AMNSIL. The Scheme is deemed to be operative from Appointed date viz 16th December, 2019. The Reserve Bank of India (RBI) approval on the said scheme was received by the Company on 10th May, 2023. The scheme has become effective with effect from 3rd August, 2023 on last filling of order with registrar of companies by AM Associates.

The accounting effect of the scheme is given effect in the standalone financial statements for the year ended March 31, 2023.

Basis the merger order received by the Company in relation to AMIPL merger with the Company, AMIPL shall cease to exist subsequent to merger. However as at March 31, 2024, the Company is awaiting transfer approval of Thakurani mines and following up with the authorities i.e. Office of the Collector & District Magistrate, Keonjhar, Odisha, Office of the Sub Registrar, Barbil and other relevant authorities as required ("the authorities"). The Company is in the process to get related assets and liabilities transferred in its name.

Further, in relation to merger of AMIPL and the Company, the Company has received demand for stamp duty of Rs. 36.92 crores. This demand has been disputed by the Company and the Company has filed an appeal before the Chief Controlling Revenue Authority, Gandhinagar by depositing an amount of Rs. 9.21 crores under protest. Based on best management estimates, a provision of Rs. 25 crores has been made and demand for balance Rs. 11.92 crores is considered not tenable and hence, remote. has context menu

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

55 Pursuant to Supreme Court Order, ArcelorMittal India Private Limited ("AMIPL")(amalgamated with ArcelorMittal Nippon Steel India Limited pursuant to scheme of arrangement as per Note 54) has acquired loans from consortium of lenders of AMNS Khopoli Limited (formerly Uttam Galva Steels Limited "AMNSK") for consideration of ₹ 4,922.30 crores on an "as is where is", "as is what is" and without recourse basis vide assignment agreement dated 17th October, 2018.

AMIPL had initially recognized financial asset receivables from AMNSK at a fair value of ₹ 5,284.93 crores (including inter-corporate deposits of ₹ 362.63 crores to AMNSK) and had subsequently recorded impairment of ₹ 693.30 crores upto 31st March, 2021.

As on 31st March, 2022 amount of ₹ 3,000.20 crores receivable from AMNSK was determined based on the resolution plan for AMNSK and approved by committee of creditors of AMNSK ("AMNSK Resolution Plan"). This resulted in additional impairment of ₹ 1,591.43 crores which was treated as an exceptional item in profit and loss account for the year ended 31st March, 2022. Further ₹ 588.40 crores was finally impaired on the basis of actual amount received amounting to ₹ 2,411.80 crores as per AMNSK Resolution Plan. Same was disclosed as an exceptional item in profit and loss account for the year ended 31st March, 2023.

56 Details of Loans given U/S 186 (4) of the Companies Act, 2013 during the year :

(i) Loan (ICD) Given refer note 44

(₹ in crores)

Sr No.	Name of Entity	Secured / Unsecured	Nature of Relationship	For the Year 31st March, 2024	For the Year 31st March, 2023
	Loan / Inter-Corporate Deposit given				
(i)	AM Mining India Private Limited	Unsecured	Fellow Subsidiary	283.32	168.32
(ii)	AMNS Shipping & Logistics Pvt	Unsecured	Subsidiary	105.00	-
(iii)	AMNS Ports India Limited	Unsecured	Subsidiary	90.00	-
(iv)	AMNS Ports Vizag Limited (fka Essar Vizag Terminal Limited) (EVTL)	Unsecured	Subsidiary	665.45	-
	Total			**1,143.77**	**168.32**

The company has given Loan / Inter-Corporate Deposit to related parties for general corporate purpose and payment to lenders etc.

(ii) Details of investment made are given in note 6

57 Borrowings Note

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Long Term Borrowings Note (including current maturity)		
(1) Term Loans		
From Related Party		
(i) Secured by pari passu first charge on movable fixed assets and mortgageof immovable properties of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land) and second pari passucharge on the current assets of the Company. Loans carrying interest @6M SOFR plus 2.80 % p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	3,028.16
(ii) Secured by pari passu first charge on movable fixed assets and mortgage of immovable properties of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land), second pari passu charge on the current assets of the Company. Loans carrying interest @6M SOFR plus 2.80 % p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	604.74

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
(iii) Secured by pari passu first charge on movable fixed assets and mortgage of immovable properties, both present & future, of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land), second pari passu charge on the current assets, both present & future, of the Company Loan carries interest @ 6M SOFR plus 2.80% p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	813.14
From Financial Institutions		
(i) Secured by hypothecation and charge on Vehicles for which loan were availed. Loan is repayable in monthly equal installment between January 2021 to January 2027. Loans carry interest rate of 7.90% p.a. (Previous Year 7.90% p.a.). The Said loan has been repaid in full by the company in April 2024.	3.21	3.93
(ii) Secured by hypothecation and charge on Vehicles for which loan were availed. Loan is repayable in monthly equal installment between January 2021 to January 2027. Loans carry interest ranging from 8.75% p.a. to 10.75% p.a. (Previous Year 8.75% p.a to 10.75% p.a). The Said loan has been repaid in full by the company in April 2024.	3.86	4.41
Unsecured Borrowings		
Unsecured INR denominated Bonds (INR ECB Loan) carry interest @ 10.18% p.a. (previous year 10.00% p.a.) Bonds Redemption schedule is, half yearly repayment of ₹ 1,000 crores starting from March 2026 and ₹ 1,250 crores from September 2027 untill September 2029 and final bullet repayment of balance ₹ 14,750 crores in March 2030 (Previous Year: Principal amount is repayable in half yearly installment of INR 1000 crores from September 2024 untill Spetember 2029 and final bullet payment of INR 13,000 crores in March 2030). Interest on facility is payable in structured manner at the interval of every Six Months. (Refer Note 2)	30,897.71	29,161.64
Unsecured External Commercial Borrowing (ECB) Loans carrying interest @ 6M SOFR plus 2.80 % p.a. The principal is repayable in Bullet on 20th March, 2030 (Refer Note 1)	4,510.35	-
Unsecured External Commercial Borrowing (ECB) Loans carrying interest @ 6M SOFR plus 2.62 % p.a. The principal repayment schedule begins semi annually of USD 208.33 mn from September 2027 until September 2032 and bullet repayment of USD 2708.33 mn in March 2033. Interest on facility is payable at the interval of every Six Months w.e.f Septmber 2023 untill March 2033. (Refer note 3)	7,785.39	-
	43,200.52	**33,616.02**
Current Borrowings		
Bridge Loan		
Overdraft facility was secured with 100% non-callable fixed deposits for short term period of six months carrying interest rate ranging from 7.50% to 7.75% (Previous Year : 5.75% p.a to 7.80% p.a). The Company fully settled this facility in June 2023. Subsequently, the underlying fixed deposits were released, and no dues certificate was issued by the respective lender.	-	1,574.21
Commercial Paper - Unsecured		
Commercial Paper raised by the Company are unsecured and short-term in nature ranging between four to six months and carry interest coupon ranging from 7.14% p.a. to 8.10% p.a (Previous Year : 7.80% p.a to 8.00% p.a)	-	971.42
	-	**2,545.63**

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Note:

1 The Company and AMNS Luxembourg Holdings S.A. (AMNSL & Lender) amended certain terms and conditions of the ECB facility through an agreement dated 30th March, 2021 (the A&R agreement). The applicable interest rate was changed from 6-month Libor + 2.50% to 6 month SOFR + 2.80% through agreement dated 2nd August, 2022. The amended interest rate became effective from 21st September, 2022, onwards, with interest accrual starting on that date. In accordance with A & R agreement, following the NCLT order dated 15th March, 2023, the ECB facility was converted into an unsecured facility. All charges were satisfied in June 2023, based on the NOC issued by the Lender. Subequent to the interest benchmarking study conducted during the year, the interest rate of 6M SOFR plus an effective spread of 2.80% per annum will continue.

2 The Company signed an agreement on 1st March, 2019 with its parent company for the issuance of unsecured INR-denominated Bonds worth ₹ 24,000 crores (INR ECB). Due to the advent of the COVID-19 pandemic, it was agreed that no interest would be charged, accrued, or payable on the Bonds from 1st April, 2020, until 31st March, 2021. Furthermore, the Company and its parent company entered into an updated agreement dated 30th March, 2021, extending the redemption period in installments, extending interest payments, and granting a conversion right to equity, subject to ECB guidelines. Moreover, during the financial year 2021-22, the Company and its parent Company entered into an updated agreement dated 14th January, 2022, amending the interest repayment schedule of the bonds. Consequently, a difference in the financial liability of ₹ 184.63 crores has been transferred to capital contribution . The effective interest rate is 7.89%. The interest rate of 10.00%, as per the bond agreement, is subject to the overall ceiling as provided in the ECB Guidelines, which may be amended from time to time.

Thereafter, to preserve operational free cash flows for supporting its downstream and coke oven 1&2 projects at the Hazira location, the Company signed an amendment agreement on September 12, 2023, with its parent company to amend the principal repayment terms. The new repayment terms involve starting half-yearly repayments of ₹1,000 crores from March 2026 and ₹1,250 crores from September 2027, with a bullet repayment of ₹14,750 crores in March 2030. Based on the interest benchmarking study conducted during the year, the Company has reset the interest rate to 10.18% per annum, with effect from September 20, 2023."

3 To fund the Company's capital expenditure (capex) expansion plans at the Hazira location related to the Upstream project, AMNS Luxembourg Holdings S.A. (AMNSL & Lender) has provided a USD 5 billion line of credit to AMNSI. The Company signed an agreement on April 6, 2023, with AMNSL for an unsecured ECB loan of USD 5 billion. During the fiscal year 2023-24, the Company has drawn an ECB loan of USD 929.30 million under this facility. Based on the interest benchmarking study, the Company has finalized the interest rate at 6M SOFR plus a effective spread of 2.62% per annum.

4 According to the approved Resolution Plan and the Supreme Court order dated 15th November, 2019, the Corporate and Personal Guarantees provided by the former Essar promoters and Essar group companies are not binding on ArcelorMittal Nippon Steel India Limited (the Company).

58 Information of investments made in subsidiary and associate.

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest (%)	
			As at 31 March 2024	As at 31 March 2023
1	AMNS Middle East FZE	UAE	100	100
2	AMNS International Limited (fka Essar Steel UAE Ltd.)	UAE	100	100
3	PT AM/NS Indonesia (fka PT Essar Indonesia)	Indonesia	100	100
4	Essar Steel Trading FZE	UAE	100	100
5	AMNS Shared Services Limited (Ceased to be Subsidiary w.e.f. 25.10-2023)	India	-	100
6	AMNS Ports India Limited (w.e.f 15.11.2022)	India	97.75	97.75
7	Ibrox Aviations and Trading Private Limited	India	100	100
8	AMNS Ports Hazira Limited (w.e.f 15.11.2022)	India	97.78	97.78
9	AMNS Ports Paradip Limited (w.e.f 15.11.2022)	India	97.78	97.78
10	AMNS Power Hazira Limited (w.e.f 19.10.2022)	India	100	100

Notes to Standalone Financial Statements

for the year ended 31st March, 2024

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest (%) As at 31 March 2024	Proportion of Ownership Interest (%) As at 31 March 2023
11	AMNS Shipping and Logistics Private Limited (w.e.f. 23.06.2022)	India	100	100
12	Bhagwat Steel Limited (w.e.f 19.10.2022)	India	100	100
13	Snow White Agencies Private Limited (w.e.f 19.10.2022)	India	100	100
14	Nand Niketan Services Private Limited (w.e.f. 22.09.2023)	India	100	-
15	New Age Education and Skills Foundation (w.e.f. 17.01.2023)	India	100	100
16	Essar Steel Processing FZCO	UAE	40	40
17	AM Green Energy Private Limited (w.e.f 22.08.2022)	India	26	26
18	AMNS Ports Vizag Limited (fka Essar Vizag Terminal Limited) (w.e.f 27.02.2024)	India	97.78	-

For Essar Steel Offshore Limited (Refer Note 44(b)).

59 Subsequent to the year end, on 10th July 2024, AMNS India completed the acquisition of Essar Power Transmission Company Limited (EPTCL) for a consideration of ₹ 924.42 Crores. EPTCL has been granted transmission license for Gandhar - Hazira line (Stage I) – ~104 kms. Hazira transmission line is connecting AMNS India's steelmaking complex at Hazira with the central electricity grid. This transmission line becomes critical to ensure smooth continued operations of the steel plant along with seamless implementation of expansion. Further, this transmission line will also allow AMNS to procure green energy from its future planned investments.

60 During the year, Management has approved filling of Draft Scheme of Amalgamation and Arrangement with NCLT Ahmedabad and NCLT Mumbai for the proposed amalgamation of AMNS Gandhidham Limited (formerly known as Indian Steel Corporation Limited) and their respective shareholders with the Company from the appointed date (May 6, 2023) mentioned in the Scheme and AMNS Khopoli Limited and their respective shareholders with the Company from the appointed date (November 10, 2022) mentioned in the Scheme. The scheme was filed with NCLT on December 21, 2023 and on November 04, 2023 respectively. Further, during the year, Management has approved filling of Draft Scheme of Amalgamation and Arrangement with NCLT Ahmedabad for the proposed amalgamation of Nand Niketan Services Private Limited, Snow White Agencies Private Limited, AMNS Power Hazira Limited and their respective shareholders with the Company from the appointed date mentioned in the Scheme. Pending NCLT approvals, no impact of the above schemes have been given in these financial statements.

61 Except stated elsewhere in these Standalone Financial Statements, there are no other subsequent adjusting event that may have impact as at Balance Sheet date.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Independent Auditor's Report

To the Members of ArcelorMittal Nippon Steel India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ArcelorMittal Nippon Steel India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associates 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 consolidated 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 consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report (including annexures thereof), but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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 Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates 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. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its associates are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 consolidated 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 Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 11 subsidiaries, whose financial statements and other financial information include total assets of Rs 6,778.89 crores as at March 31, 2024, and total revenues of Rs 2,167.82 crores and net cash outflows of Rs 6.07 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs Nil crore for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditor and whose report have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements also include the Group's share of net loss of Rs 3.81 crores for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the

Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion and according to the explanations given to us, no managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its 3 subsidiaries, which are incorporated in India and audited by us, to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V to the Act are not applicable to 1 subsidiary, audited by us, which is incorporated in India. Based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, no managerial remuneration has been paid / provided by 4 subsidiaries incorporated in India to their respective directors during the year in accordance with the provisions of section 197 of the Act read with Schedule V to the Act. Based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the provisions of section 197 read with Schedule V to the Act are not applicable to 3 subsidiaries;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other Matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 47 to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2024;

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 45 (iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 45 (v) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company and its subsidiaries incorporated in India, where applicable, and until the date of the respective audit reports of such Holding Company and subsidiaries is in accordance with Section 123 of the Act.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for the instances mentioned below:

(a) In respect of the Holding Company and in respect of 1 subsidiary, the audit trail feature is not enabled for direct changes to database by certain users, as described in Note 45 (xiv) to the consolidated financial statements; and

(b) As described in Note 45 (xiv) to the consolidated financial statements, in respect of 3 subsidiaries, certain features of audit trail of the software and that, audit trail feature is not enabled for changes made, if any, using privileged/administrative access rights.

Further, during the course of our audit, we and respective auditors of the subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act, have not come across any instance of audit trail feature being tampered with for the software(s) where audit trail has been enabled.

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUX5132

Place of Signature: Mumbai
Date: July 26, 2024

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

Re: ArcelorMittal Nippon Steel India Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Holding 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 and based on the consideration of report of respective auditors of the subsidiary companies incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Further, the report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S. No.	Name	CIN	Subsidiary/ associate/ joint venture
1.	AM Green Energy Private Limited	U40100DL2022PTC393980	Associate

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUX5132

Place of Signature: Mumbai
Date: July 26, 2024

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of ArcelorMittal Nippon Steel India Limited

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

In conjunction with our audit of the consolidated financial statements of ArcelorMittal Nippon Steel India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

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

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 7 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **SRBC & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**
Partner
Membership Number: 118746
UDIN: 24118746BKFZUX5132

Place of Signature: Mumbai
Date: July 26, 2024

Consolidated Balance Sheet

as at 31st March, 2024

(₹ in Crores)

	Note No.	As at 31st March, 2024	As at 31st March, 2023
Assets			
Non-Current Assets			
Property, Plant and Equipment	7(a)	37,476.78	37,478.74
Capital Work-in-Progress	7(b)	14,155.14	4,174.25
Other Intangible Assets	7(c)	11,747.15	11,320.30
Intangible Assets under development	7(d)	40.65	52.38
Goodwill	7(f)	6,477.81	6,448.58
Right of Use Asset	50(a)	1,932.90	1,683.07
Investments in Associates	8(a)(i)	248.56	38.73
Financial Assets			
(i) Investments	8(a)(ii)	7,329.73	6,431.02
(ii) Loans	9	312.68	181.36
(iii) Other Financial Assets	10	2,151.63	1,907.15
Income Tax Assets (Net)		528.01	375.91
Other Non-Current Assets	11	4,605.45	3,720.56
Deferred Tax Assets (net)	24	-	0.04
Total Non-Current Assets		**87,006.49**	**73,812.09**
Current Assets			
Inventories	12	10,710.84	10,080.79
Financial Assets			
(i) Investments	8(b)	2,217.94	1,199.17
(ii) Trade Receivables	13	901.66	1,551.72
(iii) Cash and Cash Equivalents	14	2,143.94	1,969.83
(iv) Bank Balances other than (iii) above	15	5,743.32	4,196.53
(v) Loans	16	0.94	2.31
(vi) Other Financial Assets	17	1,338.31	4,208.01
		12,346.11	**13,127.57**
Other Current Asset	18	1,912.46	2,114.25
Total Current Assets		**24,969.41**	**25,322.61**
Total Assets		**111,975.90**	**99,134.70**
Equity and Liabilities			
Equity			
Share Capital	19	25,041.31	25,041.31
Other Equity	20	18,941.09	15,709.54
Equity attributable to owners of the Company		43,982.40	40,750.85
Non Controlling Interest (NCI)	56	226.27	225.27
Total Equity		**44,208.67**	**40,976.12**
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	21	38,571.00	29,991.86
(ii) Lease Liabilities	50(b)	1,541.51	1,388.73
(iii) Other Financial Liabilities	22	1,430.63	1,563.06
Provisions	23	257.93	216.94
Deferred Tax Liabilities (net)	24	6,573.09	5,510.02
Other Non-Current Liabilities	25	101.75	119.51
Total Non-Current Liabilities		**48,475.91**	**38,790.12**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	26	4,629.52	6,169.79
(ii) Lease Liabilities	50(b)	172.67	156.21
(iii) Buyers Credit / Vendor Financing		2,921.07	2,353.83
(iv) Trade Payables			
Total outstanding dues of micro and small enterprises	27	169.39	178.34
Total outstanding dues of creditors other than micro and small enterprises	27	6,160.25	6,139.96
(v) Other Financial Liabilities	28	4,315.72	3,299.23
Current Tax Liabilities (Net)		30.38	36.02
Provisions	29	135.86	134.93
Other Current Liabilities	30	756.46	900.15
Total Current Liabilities		**19,291.32**	**19,368.46**
Total Liabilities		**67,767.23**	**58,158.58**
Total Equity and Liabilities		**111,975.90**	**99,134.70**

Summary of material accounting policies 2

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Pritesh Maheshwari
Partner
Membership Number: 118746

Place: Mumbai
Date: 26th July, 2024

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Crores)

	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
Income:			
Revenue from Operations	31	59,587.91	55,639.36
Other Income	32	694.87	1,292.22
Total Income		**60,282.78**	**56,931.58**
Expenses:			
Cost of Materials Consumed	33	28,788.36	33,864.25
Purchases of Stock in Trade		266.72	20.87
(Increase)/decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade	34	23.12	(322.53)
Power and Fuel	35	6,826.72	7,108.14
Employee Benefit Expenses	36	958.43	778.99
Other Expenses	37	7,507.04	6,217.43
Total Expenses		**44,370.39**	**47,667.15**
Profit before Finance Costs, Depreciation and Amortisation, Exceptional Items and Tax		**15,912.39**	**9,264.43**
Finance Costs	38	3,054.08	3,634.53
Depreciation and Amortization Expenses	7(e)	2,876.05	2,571.88
Profit before share of loss from Associates, Exceptional Items and Tax		**9,982.26**	**3,058.02**
Share of Loss from Associates		(3.81)	(0.27)
Profit before Exceptional Items and tax		**9,978.45**	**3,057.75**
Exceptional Items - Expense (Net)	52	-	652.41
Profit before Tax		**9,978.45**	**2,405.34**
Tax Expense/ (Credit)			
Current Tax	39	197.04	100.40
Deferred Tax Charge/(Credit)/Charge	39	2,456.87	(395.65)
Profit after tax for the year		**7,324.54**	**2,700.59**
Other Comprehensive Income (OCI)	40		
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plans		(23.27)	(7.87)
Fair Value of Equity Instruments through OCI		2.98	62.98
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plans		5.82	2.24
Fair Value of Equity Instruments through OCI		(0.75)	(0.02)
B (i) Items that will be reclassified to profit or loss			
Effective portion of Cash flow hedges		(5,735.17)	(5,192.67)
Foreign Currency Translation Reserve		14.34	65.38
(ii) Income tax relating to items that will be reclassified to profit or loss Effective portion of Cash flow hedges		1,443.43	1,306.89
Other comprehensive loss (Net of Tax)		**(4,292.62)**	**(3,763.07)**
Total Comprehensive Income/(Loss) for the year (Net of Tax)		**3,031.92**	**(1,062.48)**
Profit for the year attributable to:			
a) Owners of the Company		7,323.54	2,698.04
b) Non Controlling Interest		1.00	2.55
		7,324.54	**2,700.59**
Other Comprehensive Income for the year attributable to:			
a) Owners of the Company		(4,292.62)	(3,763.07)
b) Non Controlling Interest		-	-
		(4,292.62)	**(3,763.07)**
Total Comprehensive Income/(Loss) for the year attributable to:			
a) Owners of the Company		3,030.92	(1,065.03)
b) Non Controlling Interest		1.00	2.55
		3,031.92	**(1,062.48)**
Earning per Share (in Rupees)			
Basic [Nominal value of Shares ₹ 10 each (Previous Year ₹ 10 each)]	51	2.92	1.08
Diluted [Nominal value of Shares ₹ 10 each (Previous Year ₹ 10 each)]		2.92	1.08

Summary of material accounting policies 2

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Consolidated Statement of Changes in Equity

for the year ended 31st March 2024

(₹ in crores)

Particulars	Share Capital (A)	Other Equity												Attributable to Owners of the Parent (A)+(B)	Non-Controlling Interest (C)	Total (A)+(B)+(C)
		Reserve & Surplus							Items of Other Comprehensive Income/(Loss) (OCI)			Equity Component of financial instrument	Total of Other Equity (B)			
		Capital Reserve	Retained Earnings	Securities Premium Account	Capital Contribution	General Reserve	Tonnage Tax Reserve	Capital Reserve on Consolidation	Foreign Currency Monetary Item Translation Difference	Effective portion of Cash flow hedges	Fair Value of Equity Instruments					
Balance as on 1st April, 2023	**25,041.31**	**5,534.37**	**(4,852.45)**	**7,814.61**	**1,997.71**	**77.51**	**6.63**	**(623.00)**	**148.50**	**5,634.06**	**(28.40)**	**-**	**15,709.54**	**40,750.85**	**225.27**	**40,976.12**
Profit for the year	-	-	7,323.54	-	-	-	-	-	-	-	-	-	7,323.54	7,323.54	1.00	7,324.54
Other Comprehensive Income/(Loss) for the year (net of Tax)	-	-	(17.45)	-	-	-	-	-	14.34	(4,291.74)	2.23	-	(4,292.62)	(4,292.62)	-	(4,292.62)
Transfer to Retained Earnings (Derecognition of Fair Value through OCI-Equity Instrument)	-	-	(7.57)	-	-	-	-	-	-	-	7.57	-	-	-	-	-
Transfer to Tonnage Tax Reserve	-	-	(5.02)	-	-	-	5.02	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**7,293.50**	**-**	**-**	**-**	**5.02**	**-**	**14.34**	**(4,291.74)**	**9.80**	**-**	**3,030.92**	**3,030.92**	**1.00**	**3,031.92**
Share in associates reserve	-	-	-		-	-	-	-	-	-	-	200.63	200.63	200.63	-	200.63
Balance as on 31st March, 2024	**25,041.31**	**5,534.37**	**2,441.05**	**7,814.61**	**1,997.71**	**77.51**	**11.65**	**(623.00)**	**162.84**	**1,342.32**	**(18.60)**	**200.63**	**18,941.09**	**43,982.40**	**226.27**	**44,208.67**

Consolidated Statement of Changes in Equity

for the year ended 31st March 2024

(₹ in crores)

Particulars	Share Capital (A)	Other Equity: Reserve & Surplus: Capital Reserve	Retained Earnings	Securities Premium Account	Capital Contribution	General Reserve	Tonnage Tax Reserve	Capital Reserve on Consolidation	Items of Other Comprehensive Income/(Loss) (OCI): Foreign Currency Monetary Item Translation Difference	Effective portion of Cash flow hedges	Fair Value of Equity Instruments	Equity Component of financial instrument	Total of Other Equity (B)	Attributable to Owners of the Parent (A)+(B)	Non-Controlling Interest (C)	Total (A)+(B)+(C)
Balance as on 1st April, 2022	**25,041.31**	**5,534.37**	**(7,605.67)**	**7,814.61**	**1,997.71**	**77.51**	**-**	**(623.00)**	**83.12**	**9,519.84**	**(22.20)**	**-**	**16,776.29**	**41,817.60**	**1.83**	**41,819.43**
Profit for the year	-	-	2,698.04	-	-	-	-	-	-	-	-	-	2,698.04	2,698.04	2.55	2,700.59
Other Comprehensive Income/(Loss) for the year (net of Tax)	-	-	(5.63)	-	-	-	-	-	65.38	(3,885.78)	62.96	-	(3,763.07)	(3,763.07)	-	(3,763.07)
Transfer to Retained Earnings Derecognition of Fair Value through OCI-Equity Instrument	-	-	69.16	-	-	-	-	-	-	-	(69.16)	-	-	-	-	-
Transfer to Tonnage Tax Reserve	-	-	(6.63)	-	-	-	6.63	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**2,754.94**	**-**	**-**	**-**	**6.63**	**-**	**65.38**	**(3,885.78)**	**(6.20)**	**-**	**(1,065.03)**	**(1,065.03)**	**2.55**	**(1,062.48)**
Loss on acquisition of Non Controlling Interest	-	-	(1.72)	-	-	-	-	-	-	-	-	-	(1.72)	(1.72)	(1.89)	(3.61)
Non controlling interest on new acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	222.78	222.78
Balance as on 31st March, 2023	**25,041.31**	**5,534.37**	**(4,852.45)**	**7,814.61**	**1,997.71**	**77.51**	**6.63**	**(623.00)**	**148.50**	**5,634.06**	**(28.40)**	**-**	**15,709.54**	**40,750.85**	**225.27**	**40,976.12**

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Pritesh Maheshwari
Partner
Membership Number: 118746

Place: Mumbai
Date: 26th July, 2024

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Consolidated Cash Flow Statement

for the year ended 31st March, 2024

(₹ in Crores)

	Particulars	For the Year ended 31st March, 2024		For the Year ended 31st March, 2023	
A.	**Cash Flow from Operating Activities**				
	Profit before Tax		9,978.45		2,405.34
	Adjustments for -				
	Depreciation and amortization expense	2,876.05		2,571.88	
	Loss on sale/write off of Property, Plant and Equipment/ CWIP (Net)	346.69		14.03	
	Gain Due to Termination of lease	(1.03)		(125.85)	
	Liabilities/Provision no longer required written back	(22.39)		(268.66)	
	Exceptional Items-(Net) (Refer Note 52)	-		652.41	
	Finance Costs	3,054.08		3,634.53	
	Unrealised portion of Exchange Difference (Net)	7.37		(111.09)	
	Interest Income on Deposit with Banks and Others	(379.21)		(481.80)	
	Amortisation of Deferred Gain	(17.70)		(17.70)	
	Allowance/ writeoff for Doubtful Debt/Trade Advances	86.28		1.76	
	Gain on sale of Investments	(213.78)		(389.13)	
	(Gain)/Loss On Fair Valuation Of Investments	(40.39)	5,695.97	121.29	5,601.67
	Operating Profit before working capital changes:		15,674.42		8,007.01
	Changes in working capital:				
	Increase in Trade Payables	15.22		1,695.63	
	Increase in Buyers' credit/ vendor financing	550.65		2,353.83	
	Decrease in Other Current / Non Current Financial Liabilities	(188.24)		(188.84)	
	Decrease in Other Current Liabilities	(152.78)		(120.78)	
	Increase in Long Term Provisions	17.72		13.90	
	Increase in Short Term Provisions	0.93		2.14	
	(Increase)/Decrease in Inventories	(626.33)		1,073.48	
	Decrease /(Increase) in Trade Receivables	587.99		(35.25)	
	Decrease/(Increase) in Current Loans	1.36		(1.41)	
	Decrease/(Increase) in Other Current Assets	205.69		(60.59)	
	(Increase)/Decrease in Other Current / Non Current Financial Assets	(3,108.56)	(2,696.35)	713.99	5,446.10
	Cash Generated from Operations		12,978.07		13,453.11
	Income Taxes Paid		(348.32)		(222.96)
	Net Cash Flow Generated from Operating Activities (A)		12,629.75		13,230.15
B.	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant and Equipment,intangible assets, Capital Work in Progress (including under development and Capital Advances)	(11,785.54)		(7,840.77)	
	Proceeds from Sale of Property, Plant and Equipment/Capital Work in Progress	8.65		7.08	
	Proceeds from (Purchase)/Sale of Current Investments (net)	(763.62)		3,415.83	
	Proceeds from Other financial receivables	-		2,411.80	
	Consideration towards acquisition of subsidiaries and Investment in associate	(213.12)		(21,324.61)	
	Investment in others (Net)	(892.90)		-	
	Interest Received	322.68		569.41	
	Loans Given	(781.02)		(20.00)	
	(Increase)/Decrease in Deposit with Banks (Net)	(1,475.77)		9,043.15	
	Net Cash flow used in Investing Activities (B)		(15,580.64)		(13,738.11)
C.	**Cash Flow from Financing Activities**				
	Proceeds from Borrowings	7,695.41		-	
	Repayment of Borrowings	-		(490.23)	
	Net change in Short term Borrowing	(2,545.06)		2,545.63	
	Payment towards Interest portion of Lease liabilities	(116.01)		(171.11)	
	Payment towards Principal portion of Lease liabilities	(132.10)		(384.38)	
	Finance Cost paid	(1,777.07)		(1,270.86)	
	Net Cash Flow Generated from Financing Activities (C)		3,125.17		229.05
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		**174.28**		**(278.91)**
	Cash and Cash Equivalents at the beginning		1,951.38		1,201.96
	Cash acquired on business combination (Refer Note 57)		8.29		1,028.33
	Cash and cash equivalents upon loss of control of subsidiary		(11.57)		-
	Cash and Cash Equivalents at the end		2,122.38		1,951.38
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**174.28**		**(278.91)**

Consolidated Cash Flow Statement

for the year ended 31st March, 2024

Notes:

1 The above Consolidated Statement of cash flows has been prepared using the "Indirect method" set out in IND AS 7 - Statement of Cash Flows.

2 Change in liabilities arising from Financing activities:

a) Borrowings

(₹ in crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Borrowing as at beginning	36,161.65	32,050.90
Borrowing taken	7,695.41	1.91
Borrowing taken on Business combination	-	159.92
Repayment of Borrowings	-	(490.23)
Net change in Short term Borrowing	(2,545.06)	2,545.63
Interest accrued	3,141.52	2,525.88
Written back	-	(65.48)
Interest Paid	(1,366.12)	(932.12)
Exchange Variation	113.12	365.24
Borrowing as at closing	**43,200.52**	**36,161.65**

b) For changes in lease liabilities refer note 50(b).

3 Non-cash transactions of Investing and Financing activities:

(₹ in crores)

	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Net gain arising on financial assets measured at FVTPL	(40.39)	(121.29)
Addition to Right of use assets [Refer Note 50(a)]	421.25	520.73

4 Cash and Cash Equivalents included in the Cash Flow Statement comprise the following Balance Sheet amounts:

(₹ in crores)

	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash Equivalents (Rerfer Note 14)	2,143.94	1,969.83
Less: Exchange Variation Gain	21.56	18.45
Cash and Cash Equivalents at the end of the year	**2,122.38**	**1,951.38**

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

1 Nature of Operations/ Corporate Information

a) ArcelorMittal Nippon Steel India Limited (the "Company", "AMNSI", "AMNS India") (CIN-U27100GJ1976FLC013787) is a public limited Company incorporated in India with its registered office at AMNS House, 27th Km, Surat Hazira Road, Hazira, Dist.- Surat. The Company owns and operates an integrated steel manufacturing facility comprising the unit for manufacturing of flat rolled products at Hazira, a Precoated facility at Pune, Beneficiation facilities at Kirandul and Dabuna, Slurry Pipelines, Pelletisation facilities at Vizag & Paradeep and Mining of iron ore at Keonjhar and Sundargarh. The Company also operates Processing and Distribution centers and Hypermarts at various locations across India. AMNS Middle East FZE (A subsidiary of the Company) is engaged in activity of trading and processing of steel and construction material in Dubai, UAE and PT AMNS Indonesia (A step-down subsidiary of the Company) is engaged in manufacturing and trading of Cold Rolled-steel Coils, Galvanized coils and sheets in Indonesia. AMNS Port Hazira Limited (A subsidiary of Company) owns an all-weather deep draft bulk terminal at Hazira, Gujarat. Terminal handles dry bulk cargo like iron ore, coal, limestone as well as export cargo such as steel coils, plates, pipes and project cargo for the company. AMNS Power Hazira Limited (A subsidiary of Company) is in operation of corex gas, corex fines and imported coal based power plant of 270 MW plus 30 MW debottlenecked. AMNS Port Paradip Limited (A stepdown subsidiary of Company) operates dry bulk handling system with a capacity of 16 MMTPA at Paradip as per concession agreement with Paradip Port Trust (PPT). AMNS Port Vizag Limited (A stepdown subsidiary of Company) operates Iron-ore export terminal at Visakhapatnam as per concession agreement with Visakhapatnam Port Trust (VPT). The company along with all its subsidiaries and associates are together referred as "Group".

b) The Consolidated Financial Statements were approved for issue on 26th July, 2024 by the Company's Board of Directors.

2 Material Accounting Policies

(i) Basis of Preparation

The consolidated financial statements of ArcelorMittal Nippon steel India Limited (the company) and its subsidiaries (collectively, the Group) which comprise of Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements. The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement The accounting policies adopted for preparation and presentation of consolidated financial statement have been consistent with the previous year. The consolidated financial statements are presented in INR and all values are rounded to the nearest crores, except otherwise indicated.

(ii) Basis of Consolidation

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the group has control. The company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Company combines the financial statements of its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Company transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

Investment in Associates:

An associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

impairment charges, if any. When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

(iii) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost, less accumulated depreciation, amortisation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Expenditure incurred post capitalisation of the property, plant and equipment, such as repairs and maintenance, is charged to the Statement of Profit and Loss in the period in which the costs are incurred. Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is derecognised.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Capital Work-In-Progress (CWIP)/ Intangible Assets under development

CWIP / Intangible Assets under development is settled at cost, net of impairment losses, if any. All expenditure, including borrowing cost in respect of qualifying assets, incurred during the project construction period, are accumulated and presented as CWIP until the asset is ready for its intended use. Asset under construction is not depreciated. Income earned from investments of surplus borrowed funds during the construction/trial run period is reduced from the CWIP. Expenditure/Income arising during trial run is added to/reduced from the CWIP.

Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. An intangible assets is derecognized on disposal, or when no future economic benefits are expected to arise from continued use of the asset. Gains or losses arising from the retirement or disposal of an intangible asset, measured as the difference between the disposal proceeds and the carrying amount of the asset, are recognised as income or expense in the Statement of Profit and Loss. The Group recognises Port License/ Concessionaire Agreement under Intangible Assets. The same is initially recognised by the Group at fair value on acquisition of ports entities.

The Group recognizes service concession arrangement as “Intangible Assets” arising from a contract, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, irrespective whether the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement. Such an intangible asset is recognized by the Group initially at cost determined as the fair value of the consideration received or receivable for the construction service delivered and is capitalized when the project is complete in all respects. Service concession arrangement are amortized on straight line basis over the balance of license period. The concession period is 30 years from the date of the award. Any addition to the service concession arrangement are measured at fair value on recognition. service concession arrangement also include certain property, plant and equipment in accordance with Appendix C of Ind AS 115 “service concession arrangements.

(iv) Depreciation and Amortisation

Property, Plant and Equipment

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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

the useful lives and residual value prescribed in Schedule II to the Companies Act except in respect of following class of assets wherein useful lives are determined based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer warranties and maintenance support etc.

Particulars	Useful life as per Companies Act, 2013 (Years)	Useful life as per Technical Evaluation (Years)
Plant and Machinery	5-40	5-30
Sinter, Rolling Mill and Blast Furnace	20	25
Power Generation Plant	40	37
Buildings	3 to 60	34
Ships and Vessels	20	15-25
Railway Sidings and Wagons	15	25
Furniture & Fixture	15	10
Office Equipments	5	3-6
Tugs & Dredgers	14	14-15
Berth & Jetty	25	40

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Freehold land is not depreciated. Leasehold land is amortized over the period of lease, except where Leasehold land is acquired by the Group, with an option in the lease deed, entitling the Group to purchase on outright basis after a certain period at no additional cost is not amortized. Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefits.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively.

Intangible Assets

Costs relating to softwares, which are acquired, are capitalised and amortised on straight-line method over estimated useful life of 3 to 10 years. Mining assets are amortised using Unit of Production (UOP) method over the expected extraction period. The useful life and the amortisation method for softwares are reviewed at the end of each reporting period and adjusted prospectively. Port License/ Concessionaire Agreement is amortised on straight line over the balance period of license agreement of port authorities. The period of Port License/ Concessionaire Agreement ranges from 3 to 40 years which includes option to renew the Port License/Concessionaire Agreement.

(v) Impairment of non-financial Assets

The carrying amounts of non-financial assets (property, plant and equipment and other intangible assets) are reviewed at each reporting date, based on internal/external factors, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital which is a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss. If impairment loss is provided, depreciation is calculated on the revised carrying amount of the assets over its remaining useful life.

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

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(vi) Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

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

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.

Sale of Goods

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer as per terms of contract, which usually is on delivery of the goods to the transporter at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

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

Sale of Services:

The Group recognise Job work revenue at the point in time when the finished products under job work contracts are transferred to the custody of Principal. Revenue is measured based on the transaction price, which is the consideration adjusted for quality claims, trade allowances, price concessions, refunds, or other similar items in a contract when they are highly probable to be provided. Revenue excludes taxes collected from customers on behalf of the government.

Freight :

The Group generates revenue from shipping activities. Revenues from vessels are mainly derived from a combination of time charters and voyage charters. Revenue from voyage charters is recognised as income, by reference to the voyage progress on load-to- discharge basis, which has been assessed by management to be an appropriate measure of progress towards complete satisfaction of the performance obligations over time under Ind AS 115. Judgement is involved in estimating days to reach the load port and discharge port destinations impacting the calculation of income to be accrued for incomplete voyage. Management uses its judgement in estimating the total number of days of a voyage based on historical trends, the operating capability of the vessel (speed and fuel consumption) and the distance of the trade route.

Charter-hire: Revenue from a time charter is recognised on a straight-line basis over the period of the charter.

Demurrage revenue:

Freight contracts contain conditions regarding the amount of time available for loading and discharging of the vessel. If these conditions are breached, the Group is compensated for the additional time incurred in the form of demurrage revenue. Demurrage revenue is recognised upon delivery of services in accordance with the terms and conditions of the contract. Upon completion of the voyage, the Company assesses the time spent in port, and a demurrage claim based on the relevant contractual conditions is submitted to the charterers.

Dividend and interest income:

Dividend income is recognised when the shareholder’s right to receive payment is established. Interest income is recognised using the effective interest rate method.

(vii) Income Taxes

Current Tax:

Tax expense comprises of current and deferred taxes. Current tax is the amount of expected tax payable or recoverable from based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. While determining the tax provisions, the Group assesses whether each uncertain tax position is to considered separately or together with one or more uncertain tax positions depending the nature and circumstance of each uncertain tax position.

The Tonnage tax regime is applicable on the shipping activities, resulting in a lower income tax payable in the future, the amount of deferred tax to be recognised is limited.Considering the tonnage tax regime applicable to shipping activities, difference between taxable and book values of assets and liabilities are generally of permanent nature. This is due to the fact that the taxable result for tonnage

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tax eligible activities has no correlation with either carrying value or the generally applicable tax value of assets and liabilities. As a consequence, temporary differences are limited to those arising from other activities which are subject to normal Income tax provisions.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred Tax:

Deferred tax is measured, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give raise equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. [Refer Note 3(b)].

In addition deferred tax liabilities are not recognised in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest joint ventures, when timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not arise in foreseeable future.

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.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

(viii) Inventories

Raw Materials, Production Consumables, Stores & Spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold above cost. Cost is determined on a Weighted Average basis. Work-in-Progress and Finished Goods are valued at lower of cost and net realisable value. By-products are valued at net realisable value. Cost includes direct material, labour and a proportion of manufacturing overheads based on normal capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and cost to make the sale. In case of shipping activity, stores and spares delivered on board the vessels are charged to Statement of Profit and Loss.

(ix) Financial Instruments

Financial assets and Financial liabilities are recognised when the Group becomes a party to the

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contractual provisions of the instruments. 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 profit and loss) are added to or deducted from fair value of financial assets or financial liabilities, on initial recognition. Transaction costs directly attributable to acquisition of financial assets or financial liabilities at fair vale through profit or loss are recognised immediately in the statement of profit and loss.

Financial Assets:

The Group classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and

(b) those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss or other comprehensive income. For investments in debt instruments, it depends on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment measured at Fair value through Other Comprehensive income. The Group reclassifies debt investments only when its business model for managing those assets changes.

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

(a) Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method.

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

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

Equity instruments

The Group subsequently measures all equity investments (except Investment in Subsidiaries and Associates) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in statement of profit and loss.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset. In respect of trade receivables that are within the scope of Ind AS 115, the Group has used the practical expedient as permitted under Ind AS 109 and followed the simplified approach for computation of impairment allowances. For other than trade receivable, the Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The Group determines whether there has been a significant increase in the credit

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risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognised only when:

(a) The Group has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where transfer of an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the substantial risks and rewards of ownership of the financial asset has not transferred, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income (OCI) is reclassified from the equity to the statement of profit and loss (P&L).

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments measured at fair value through other comprehensive income and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

Financial Liabilities

Initial recognition & subsequent measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest rate method, where time value of money is significant.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss. For non-held for trading liabilities that are designated at Fair value through profit and loss, the amount of change in the fair value of financial liability that is attributable to the changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. Changes in fair value that are attributable to financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to the statement of profit and loss.

(x) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is

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included as finance costs in the statement of profit and loss.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

(xi) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is also the Group's functional currency.

Initial Recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at reporting date exchange rates are generally recognised in the Statement of Profit and Loss. They are recorded in OCI if they relate to qualifying cash flow hedges.

Measurement of Foreign Currency Monetary Items at Balance Sheet Date

Foreign currency monetary items are reported using the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

For the purposes of presenting these financials, the assets and liabilities of the Group's foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(xii) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split and reverse share split (consolidation of shares).

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

(xiii) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when there is a present legal or constructive obligation in respect of which a reliable estimate can be made as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

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Onerous Contracts:

An onerous contract is considered to exist where the Group has a contract under which unavoidable cost of meeting the obligations under contract exceeds the economic benefit expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provision.

(xiv) Derivative Instruments and Hedge Accounting

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to price risk in raw material, finished products and balance sheet exposure. Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Group designates certain hedging instruments, as either fair value hedges, cash flow hedges or hedges of net investments in foreign currencies. Hedges of commodity price risk are accounted for as cash flow hedge. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item, transaction and nature of the risk being hedged. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

When hedge accounting is applied:

For cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is ultimately recognised in the statement of profit and loss.

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

Mark to market gains and losses on forward contracts outstanding at the balance sheet date are recognised in the statement of profit and loss.

(xv) Employee Benefits

Short term employee benefits

Liabilities for wages and salaries, including any non-monetary benefits that are expected to be settled within the next 12 months from the end of the reporting period in which the employees render the related service are recognised as employees cost up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefits –

Compensated Absences

Provision for compensated absences is determined based on actuarial valuation. Liabilities recognised in respect of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Post-employment Benefits

Provident Fund

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective funds.

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Gratuity

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

(xvi) Borrowing Costs

Borrowing cost in ordinary course of business is recognised as an expense in the period in which these are incurred. Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of cost of such asset up to the date the assets are ready for their intended use. All expenditures, including interest cost during the project construction period, are accumulated and presented as Capital Work-in-Progress until the assets are ready for intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(xvii) Leases

Where the Group is the Lessee

Effective 1st April, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. The Group assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

On the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and where the value of underlying assets is immaterial (low value leases). For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Years
Leasehold land	3 to 99 years
Leasehold building	2 to 60 years
Leasehold plant & machinery	2.5 to 15 years

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

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

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Where the Group is the Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating lease are included in property, plant and equipment. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss. Contingent rents are recognised as revenue in the period in which they are earned.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance lease when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance lease are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(xviii) Mining, Exploration and Development Expenditure

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less amortisation and impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Group measures its exploration and evaluation assets at cost and classifies as Property, Plant and Equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently.

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

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

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

Mining assets are amortised using unit of production (UOP) method over the expected extraction period.

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalized asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and / or other agreements are reviewed periodically. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in

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prices, analysis of site conditions and changes in restoration technology.

(xix) Measurement of EBIDTA

The Group has elected to present earnings before finance costs, depreciation and amortisation expenses, exceptional items and taxes (EBIDTA) as a separate line item on the face of the Statement of Profit and Loss. The Group measures EBIDTA on the basis of Profit /(Loss) for the period and does not include finance costs, exchange variation and derivative losses, depreciation and amortisation expenses, exceptional items and taxes.

(xx) Current and Non-Current classification

All the assets and liabilities in the Balance Sheet are classified as current and non-current based on the below mentioned factors except deferred tax assets and liabilities which is always classified as non-current. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

(xxi) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 Group takes into account the characteristics of asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(xxii) Contract Balances

Contract assets:

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

The amount recognised as contract assets is reclassified to trade receivables once the amounts are billed to the customer as per the terms of the contract. Contract assets are subject to impairment assessment.

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for the year ended 31st March, 2024

Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due)

Contract liabilities:

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

(xxiii) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group. Refer Note 43 for segment information presented.

(xxiv) Buyer's Credit / Vendor Financing

The Group enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as buyers' credit / Vendor Financing and disclosed on the face of the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to buyer's credit / Vendor Financing by the Group is treated as an operating cash outflow reflecting the substance of the payment.

(xxv) Government Grant

Government grants are recognised if there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the Statement of Profit and Loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

(xxvi) Business Combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any assets or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their acquisition date fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements, lease liabilities under Ind AS 116 and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill.

Any gain on a bargain purchase is recognised in other comprehensive income and accumulated in equity as Capital Reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Where settlement of any part of cash consideration is deferred, the amounts payable in future are discounted to their present value as at the date of exchange. The discount rate used is entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Refer Note 57 – Business Combinations for further details.

(xxvii) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand and at bank in current accounts and term deposits, which are not pledged, with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xxviii) Exceptional Items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group.

Refer note 52 - Exceptional Items for further details.

(xxix) Goodwill:

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3 List of critical estimates and judgments:

The preparation of Financial Statements in conformity with Ind AS which requires management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities and contingent assets at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

a) Assessment of significant influence

An entity is said to be an associate of an investor entity when the latter has significant influence over the former. There is a rebuttable presumption that significant influence exist if an investor holds 20% or more voting rights in the investee entity and vice versa. However demonstration of significant influence over an entity is a matter of judgment and is not always evident from the percentage of voting rights. [Refer Note -8(a)(5)].

b) Recognition of deferred tax assets for unused tax losses and unabsorbed depreciation

Deferred Tax Assets (DTA) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which

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those deductible temporary differences can be utilised. (Refer note 24)

Recognition of deferred tax asset necessarily involves significant degree of judgement and estimation in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Recoverability of deferred tax and other income tax assets The Group has carry forward tax losses and unabsorbed depreciation that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

c) **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. (Refer note 49)

d) **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) **Contingent liabilities**

Contingent liabilities may arise in the ordinary course of business in relation to the claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and use of estimates regarding the outcome of future events. While ascertaining the possible outcome of contingencies, the management of the Company exercises judgements basis evaluation of the judicial pronouncements and/or legal opinions from an independent expert. (Refer Note 47)

f) **Useful lives of property, plant and equipment and intangible assets**

The Group reviews the useful life of property, plant and equipment and softwares at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

g) **Assessment of potential voting rights / control:**

The Group evaluates the potential voting rights arising from the convertible instrument subscribed considering the nature of the instrument, the benefits or deterrence in conversion, operational barriers/ incentives for conversion of the instrument into equity shares in accordance with the requirement of IND AS 110 [Refer Note 8(a)(1)]

h) **Fair Valuation of Financial Instruments:**

Contingent liabilities may arise in the ordinary course of business in relation to the claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and use of estimates regarding the outcome of future events. While ascertaining the possible outcome of contingencies, the management of the Company exercises judgements basis evaluation of the judicial pronouncements and/or legal opinions from an independent expert. (Refer Note 47)

i) **Revenue from Contract with Customers**

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates. The Group's expected volume

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rebates are analysed on a per customer basis for contracts that are subject to volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's rebates entitlement and accumulated purchases to date.

j) **Impairment of Non-Financial Assets**

Ind AS 36 requires that the Group assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include changes resulting from market and economic environment, including internal and external factors such as the Group's market capitalization, significant changes in the Group's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal environment. The Group uses internal business plans, quoted market prices and the Group's best estimate of commodity prices, currency rates, discount rates and other relevant information.

Impairment exists when the carrying value of an asset or cash generating unit, exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use has been calculated by DCF model.

k) **Provision for Asset Retirement Obligation**

Provision for asset retirement obligation are estimated case -by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

l) **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has certain lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

m) **Leases - Estimating the incremental borrowing rate**

The Group uses the interest rate implicit in the lease where it is determinable in the lease agreement. In cases where the implicit rate is not determinable, it uses its incremental borrowing rate (IBR) to measure the lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available.

n) **Impairment of Goodwill:**

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the Group's cash generating unit (or groups of cash generating units). The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on

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the carrying amount of each asset in the unit. Any Impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

o) **Allocation of purchase consideration over the fair value of assets and liabilities acquired in a business combination:**

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as on the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by an independent expert appointed by the Group. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities are recorded at values which are expected to be realised or settled respectively. Excess of purchase consideration over fair value of net assets acquired is accounted for as goodwill and excess of fair value of net assets acquired over purchase consideration is termed as Capital reserve.

4 Standards notified but not yet effective / Policy on new and amended standards

(A) New and revised standards

The Group has adopted, with effect from 01 April 2023, the following new and revised standards. Their adoption did not have any significant impact on the amounts reported in the Consolidated financial statements

1. Amendment to Ind AS 1 Presentation of financial statements: The amendment requires disclosure of material accounting policies rather than significant accounting policies.

2. Amendment to Ind AS 12 Income Taxes: The amendment clarifies application of initial recognition exemption to transactions such as leases and decommissioning obligations.

3. Amendment to Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors: The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors.

(B) Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, up to the date of issuance of the Company's Consolidated financial statements.

5 List of Direct and Indirect Subsidiaries of AMNSI is as under:

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest (%)*		Principal Activities
			As at 31st March 2024	As at 31st March 2023	
1	AMNS Middle East FZE	UAE	100	100	Trading and processing of steel and construction material
2	AMNS INTERNATIONAL FZ LLC (fka AMNS International Limited)	UAE	100	100	Intermediate holding company of PT AMNS Indonesia
3	PT AM/NS Indonesia (fka PT Essar Indonesia)	Indonesia	100	100	Manufacturing and trading of Cold Rolled-steel Coils, Galvanized coils and sheets
4	Essar Steel Trading FZE	UAE	100	100	
5	AMNS Shared Services Limited (loss of control w.e.f. 25.10.2023)	India	-	100	Business of supply of manpower services
6	AMNS Ports India Limited (w.e.f 15.11.2022) (fka Hazira Cargo Terminal Limited)	India	97.75	97.75	Intermediate holding company/Port Business

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Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest (%)*		Principal Activities
			As at 31st March 2024	As at 31st March 2023	
7	AMNS Ports Shared Services Private Limited (fka Ibrox Aviations and Trading Private Limited)	India	100	100	Intermediate holding company/Port Business
8	AMNS Ports Hazira Limited (w.e.f 15.11.2022) (fka Essar Bulk Terminal Limited)	India	97.78	97.78	Owns an all-weather deep draft bulk terminal at Hazira
9	AMNS Ports Paradip Limited (w.e.f 15.11.2022) (fka Essar Bulk Terminal Paradeep Limited)	India	97.78	97.78	Operates dry bulk handling system with a capacity of 16 MMTPA at Paradip
10	AMNS Power Hazira Limited (w.e.f 19.10.2022) (fka Essar Power Hazira Limited)	India	100	100	Operates corex gas, corex fines and imported coal based power plant
11	AMNS Shipping and Logistics Private Limited (w.e.f. 23.06.2022)	India	100	100	Business of logistics
12	Bhagwat Steel Limited (w.e.f 19.10.2022)	India	100	100	
13	Snow White Agencies Private Limited (w.e.f 19.10.2022)	India	100	100	
14	Nand Niketan Services Private Limited (w.e.f 22.09.2023)	India	100	-	To provide services of township operation, maintenance, security services and manpower management.
15	AMNS Ports Vizag Limited (fka Essar Vizag Terminal Limited) (w.e.f 27.02.2024)	India	97.78	-	To operate Jetty at Vizag

** Ownership interest considered for the purpose of consolidation include potential voting right in respect of compulsory convertible instruments.*

The Company initiated winding-up proceedings in respect of a subsidiary, Essar Steel Offshore Limited (ESOL) and its subsidiaries on 24th June, 2020. On 24th September, 2021, the Supreme Court of Mauritius granted the Company's prayer for the winding up of ESOL and appointed Mr. Anjeev Hurry as the liquidator of ESOL and accordingly AMNSI ceased to control the entity. Further, on 8th May, 2023, Supreme Court of Mauritius ordered dissolution/liquidation of ESOL with effect from the order date. Accordingly, ESOL was not considered for consolidation for the year ended 31st March,2023.

List of Associate considered for consolidation is as under :

Sr. No.	Name of the Company	Proportion of Ownership Interest (%)	
		As at 31st March, 2024	As at 31st March, 2023
1	Essar Steel Processing FZCO	40.00	40.00
2	AM Green Energy Private Limited (w.e.f 22.08.2022)	26.00	26.00
3	New Age Education and Skills Foundation (w.e.f. 17.01.2023) [Refer Note 8(a)(5)]	100.00	100.00

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36(A). Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act 2013:

Company		Net Assets, i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As at 31st March, 2024		For the year ended on 31st March, 2024					
		As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of Other Comprehensive Income	Amount (₹ in Crores)	As % of Total Comprehensive Income	Amount (₹ in Crores)
Parent	ArcelorMittal Nippon Steel India Limited	95.32%	42,140.36	95.44%	6,990.30	100.33%	(4,306.83)	88.51%	2,683.47
Indian Subsidiary	AMNS Ports Vizag Limited	-0.18%	(78.57)	-0.04%	(2.97)	0.00%	(0.02)	-0.10%	(2.99)
	AMNS Port Hazira Limited	5.11%	2,257.90	5.18%	379.25	0.00%	0.02	12.51%	379.27
	AMNS Port Paradip Limited	1.34%	593.55	1.53%	111.87	0.00%	-	3.69%	111.87
	AMNS Ports India Limited	4.87%	2,153.27	-0.21%	(15.15)	0.00%	-	-0.50%	(15.15)
	AMNS Ports Shared Services Limited	0.40%	174.82	-0.87%	(63.65)	0.00%	(0.06)	-2.10%	(63.71)
	AMNS Power Hazira Limited	6.44%	2,845.18	1.83%	133.80	0.00%	-	4.41%	133.80
	AMNS Shipping and Logistics Private Limited	0.95%	421.71	0.79%	57.82	0.00%	-	1.91%	57.82
	Bhagwat Steel Limited	0.01%	2.94	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
	Snow White Agencies Private Limited	0.00%	0.99	0.00%	(0.21)	0.00%	-	-0.01%	(0.21)
	AMNS Shared Services Limited	0.00%	-	0.09%	6.78	-	-	-	6.78
	Nand Niketan Services Private Limited	0.00%	0.88	0.00%	0.12	-	-	-	0.12
	New Age Education and Skills Foundation [Refer Note 8(a)(5)]	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
	Essar Steel Logistics Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiary	Essar Steel Trading FZE	-0.16%	(69.00)	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
	AMNS Middle East FZE	-3.89%	(1,719.44)	-0.06%	(4.04)	0.00%	-	-0.13%	(4.04)
	AMNS International Limited	0.00%	-	0.00%	(0.26)	0.00%	-	-0.01%	(0.26)
	PT AMNS Indonesia	0.00%	-	0.85%	62.07	0.00%	-	2.05%	62.07
Indian Associates	AM Green Energy Private Limited	0.56%	248.55	-0.05%	(3.81)	0.00%	-	-0.13%	(3.81)
	Non Controlling Interests	-0.51%	(226.27)	0.01%	1.00	0.00%	-	0.03%	1.00
	Adjustment arising out of consolidation	-10.27%	(4,538.21)	-4.48%	(328.16)	-0.33%	14.27	-10.35%	(313.89)
Total		**100.00%**	**44,208.67**	**100.00%**	**7,324.54**	**100.00%**	**(4,292.62)**	**99.77%**	**3,031.92**

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36(A). Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act 2013:

Company		Net Assets, i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As at 31st March, 2023		For the year ended on 31st March, 2023					
		As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of Other Comprehensive Income	Amount (₹ in Crores)	As % of Total Comprehensive Income	Amount (₹ in Crores)
Parent	ArcelorMittal Nippon Steel India Limited	96.80%	39,666.69	79.74%	2,153.39	103.45%	(3,892.79)	163.71%	(1,739.40)
Indian Subsidiary	AMNS Shared Services Limited	-0.02%	(6.57)	0.21%	5.69	0.00%	(0.02)	-0.53%	5.67
	AMNS Port Hazira Limited	4.58%	1,878.69	8.00%	216.05	-0.02%	0.77	-20.41%	216.82
	AMNS Port Paradip Limited	1.33%	546.70	1.38%	37.33	0.00%	(0.06)	-3.51%	37.27
	AMNS Ports India Limited	5.29%	2,168.42	-0.15%	(4.07)	0.00%	-	0.38%	(4.07)
	Ibrox Aviations and Trading Private Limited	0.58%	238.57	-0.75%	(20.21)	0.00%	-	1.90%	(20.21)
	AMNS Power Hazira Limited	6.62%	2,711.37	3.43%	92.60	0.00%	-	-8.72%	92.60
	AMNS Shipping and Logistics Private Limited	0.89%	363.89	1.22%	32.87	0.00%	(0.02)	-3.09%	32.85
	Bhagwat Steel Limited	0.01%	3.08	0.00%	0.03	0.00%	-	0.00%	0.03
	Snow White Agencies Private Limited	0.00%	1.21	0.00%	0.01	0.00%	-	0.00%	0.01
	New Age Education and Skills Foundation [Refer Note 8(a)(5)]	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiary	Essar Steel Trading FZE	-0.17%	(67.96)	0.00%	(0.10)	0.14%	(5.29)	0.51%	(5.39)
	AMNS Middle East FZE	-3.88%	(1,587.90)	2.16%	58.29	-0.02%	0.74	-5.56%	59.03
	AMNS International Limited	0.82%	336.22	2.64%	71.28	0.00%	-	-6.71%	71.28
	PT AMNS Indonesia	2.21%	905.93	1.53%	41.28	0.00%	-	-3.89%	41.28
Indian Associates	AM Green Energy Private Limited	0.09%	38.73	-0.01%	(0.27)	0.00%	-	0.03%	(0.27)
	Non Controlling Interests	-0.55%	(225.27)	0.09%	2.55	0.00%	-	-0.24%	2.55
	Adjustment arising out of consolidation	-14.63%	(5,995.69)	0.51%	13.87	-3.55%	133.60	-13.88%	147.47
Total		**100.00%**	**40,976.12**	**100.00%**	**2,700.59**	**100.00%**	**(3,763.07)**	**100.00%**	**(1,062.48)**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

7(a) Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Ships and Vessels	Railway Sidings and Wagons	Aircraft	Total
Cost/Deemed Cost											
At 1st April 2022	3,831.81	5,038.02	41,152.23	27.29	38.04	49.73	127.49	-	65.78	4.58	50,334.97
Acquisitions through Business Combination	5.37	2,573.83	2,155.02	0.54	1.54	0.25	0.26	92.87	-	-	4,829.68
Additions	332.01	69.41	1,649.65	3.60	9.91	16.90	18.65	343.81	4.40	-	2,448.34
Less- Disposals	-	2.14	49.03	1.19	3.31	1.05	1.40	-	-	-	58.12
Effect of foreign currency exchange differences	3.30	2.86	2.66	0.01	0.04	-	0.09	-	-	-	8.96
At 31st March 2023	**4,172.49**	**7,681.98**	**44,910.53**	**30.25**	**46.22**	**65.83**	**145.09**	**436.68**	**70.18**	**4.58**	**57,563.83**
Acquisitions through Business Combination	0.02	-	-	-	0.54	-	-	-	-	-	0.56
Additions	1,545.77	86.20	628.78	2.99	7.58	12.93	2.58	256.78	-	-	2,543.61
Less- Disposals	-	47.83	435.22	-	3.19	0.37	-	90.00	0.29	-	576.90
Effect of foreign currency exchange differences	0.59	0.37	3.17	0.35	0.02	-	0.02	-	-	-	4.52
At 31st March 2024	**5,718.87**	**7,720.72**	**45,107.26**	**33.59**	**51.17**	**78.39**	**147.69**	**603.46**	**69.89**	**4.58**	**59,535.62**
Accumulated Depreciation/Impairment											
At 1st April 2022	482.83	1,341.60	16,634.41	16.87	23.32	15.55	18.01	-	14.62	2.66	18,549.87
Charge for the year	-	148.26	1,861.94	1.64	3.90	12.36	13.76	18.56	2.76	0.38	2,063.56
Reversal of Impairment (refer note 52(3))	482.83	-	-	-	-	-	-	-	-	-	482.83
Less- Disposals	-	0.72	35.60	1.02	3.10	0.55	1.21	3.31	-	-	45.51
At 31st March 2023	**-**	**1,489.14**	**18,460.75**	**17.49**	**24.12**	**27.36**	**30.56**	**15.25**	**17.38**	**3.04**	**20,085.09**
Charge for the year	-	290.02	1,888.49	2.23	5.97	14.61	15.39	39.01	2.89	0.38	2,258.98
Less- Disposals	-	22.35	252.60	-	3.19	0.36	-	6.73	-	-	285.23
At 31st March 2024	**-**	**1,756.81**	**20,096.64**	**19.72**	**26.90**	**41.61**	**45.95**	**47.53**	**20.27**	**3.42**	**22,058.84**
Net book value											
At 31st March 2024	**5,718.87**	**5,963.91**	**25,010.62**	**13.87**	**24.27**	**36.78**	**101.74**	**555.93**	**49.62**	**1.16**	**37,476.78**
At 31st March 2023	**4,172.49**	**6,192.84**	**26,449.78**	**12.76**	**22.10**	**38.47**	**114.53**	**421.43**	**52.80**	**1.54**	**37,478.74**

Notes:

1 Details of Property, Plant and Equipment pledged against borrowings are given in Note 58.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

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

Relevant line item in Financial Statement	Description of item of property	Description of Property	As at 31st March 2024 Gross book value (₹ in Crores)	As at 31st March 2023 Gross book value (₹ in Crores)	Held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held since	Reason for not being in the name of the Company
Property Plant & Equipment	Freehold Land	Freehold land Located at Hazira ad-measuring 81.1707 hectares, 20.4569 hectares, and 22.4905 hectare (previous year: 81.1707 hectares, 20.4569 hectares, and 22.4905 hectare)	491.76	491.76	Government of Gujarat	No	2005-2013	The title deeds are in the name of the state government. The Company acquired these land parcels by paying provisional considerations in earlier years and the land parcels are in possession of the Company. The title transfer in name of the Company is in process.
Property Plant & Equipment	Freehold Land	Freehold land Located at Hazira ad-measuring 98.99 Hectare (previous year: 100.71 hectare)	397.30	399.46	Erstwhile land owners	No	1990-2020	The title deeds are in the name of the land owners from whom company acquired these land parcels by paying the agreed consideration in earlier years and the land parcels are in the possession of the Company. The title transfer in name of the Company is in process.
Property Plant & Equipment	Freehold Land	Freehold Land Located at Odisha ad-measuring 4.51 hectares (previous year: 4.51 hectare)	4.32	4.32	Erstwhile land owners	No	2021	The Company had acquired certain land parcel alongwith other identified assets from M/s Edelweiss asset reconstruction company Limited under the securitization and reconstruction of Financial assets and enforcement of security interest Act,2002. The title transfer in name of the Company is in process.

3 Plant and equipment (Conveyor belts) with the net carrying amount of ₹. 344.40 crores has been partly erected on the land owned by Paradip Port Trust and allotted to the Group under concession arrangement for the period until April 2025.

4 Property, plant and equipment includes assets (Building and Plant & Machinery) having net book value ₹ 902.27 Crores (Previous year : net book value ₹ 940.99 crores) gross book value ₹ 1,200.15 crores pertaining to slurry pipeline from Dabuna to Paradeep, which was sold to M/s Utkal Pipeline Infrastructure Limited (fka M/s Odisha Slurry Pipeline Infrastructure Ltd.) in March 2015 and taken back vide cancellation agreement dated 24th June 2016. The matter is under sub-judice. [Please refer Note47(2) for details].

5 State Tax Department and Irrigation department of Gujarat Govt. have claimed their lien on certain land parcels owned by the Company at Hazira location on account of their claim of approx. ₹ 93.07 crores for the period of 1994-95 to 2013-14 according to the powers of recovery vested to the authorities under the relevant law. The underlying liabilities stand extinguished in terms of IBC and SC Order dated 15th November, 2019 and the Company is in process of getting these charges released.

6 During the year, lease agreement of the land used by Vizag division taken on lease from Vizag Port Trust was renewed.

7 During the previous year, the Company purchased Property, Plant and Equipment including Land ₹. 260.75 crore, Building ₹ 32.29 crore, Plant & Equipment ₹ 838.76 crore and others ₹ 0.03 crore related to a Gas based Combine Cycle Power Plant (CCPP) at Hazira, Gujarat (''Specified Tangible Fixed Assets") from Essar Power Limited ('EPOL'), as per the Sale and Purchase Agreement dated 6th March 2023 between EPOL and the Company.

8 On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

7(b) Capital Work-in-Progress

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cost		
Opening	**4,174.25**	**1,591.28**
Acquisitions through Business Combination	-	24.62
Additions	10,893.55	3,455.72
Impairment	(146.48)	(8.24)
Disposal	(0.98)	(9.41)
Capitalisation	(765.52)	(881.14)
Effect of foreign currency exchange differences	0.32	1.42
Closing	**14,155.14**	**4,174.25**

The amount of borrowing costs (net) capitalised during the year ended 31st March, 2024 was ₹ 841.13 crore (31st March, 2023: ₹ 21.99 crore) which includes Foreign exchange capitalisation of ₹ 76.50 crore (31st March, 2023: ₹ Nil). Employee Cost capitalised during the year ended 31st March, 2024 was ₹ 173.00 Crore (31st March, 2023: ₹ 61.26 Crore). Borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate ranges between 7.29% to 8.27% (2022-23: 5.75% to 7.80%).

Capital work in progress (CWIP) Ageing Schedule

(₹ in crores)

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	10,876.71	3,213.65	9.39	11.44	14,111.19	3,324.14	407.33	95.03	179.17	4,005.67
Projects temporarily suspended	-	10.73	4.51	28.71	43.95	1.40	-	25.68	141.50	168.58
Total	**10,876.71**	**3,224.38**	**13.90**	**40.15**	**14,155.14**	**3,325.54**	**407.33**	**120.71**	**320.67**	**4,174.25**

Projects are in progress, whose completion is overdue or exceeded its cost compared to its original plan:

(₹ in crores)

Project Name	To be completed in									
	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
HSM, Pickling Line & WTP Projects at Hazira	563.63	-	-	-	563.63	188.15	39.67	-	-	227.82
SMP 1 & 2 Projects at Hazira	383.23	-	-	-	383.23	253.14	-	-	-	253.14
Downstream Projects at Hazira	-	5,353.97	-	-	5,353.97	-	-	-	-	-
Upstream Projects at Hazira	-	-	3,052.17	-	3,052.17	-	-	-	-	-
Coke Oven Project at Hazira	-	1,547.33	-	-	1,547.33	-	-	-	-	-
Other Projects	2,006.29	625.25	-	-	2,631.54	1,234.17	210.81	12.49	19.08	1,476.55
Total	**2,953.15**	**7,526.55**	**3,052.17**	**-**	**13,531.87**	**1,675.46**	**250.48**	**12.49**	**19.08**	**1,957.51**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Projects temperarly suspended:

(₹ in crores)

Project Name	As at 31st March, 2024					As at 31st March, 2023				
	To be completed in									
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Coke Oven project	-	-	-	-	-	136.12	-	-	-	136.12
Power Plant at Odisha	25.68	-	-	-	25.68	25.68	-	-	-	25.68
Other Project	-	10.73	4.51	3.03	18.27	4.86	-	1.92	-	6.78
Total	**25.68**	**10.73**	**4.51**	**3.03**	**43.95**	**166.66**	**-**	**1.92**	**-**	**168.58**

The Company is under expansion phase comprising of Upstream and Downstream projects of Steel Manufacturing facility at Hazira. Continous Gavlanising Line 4 (CGL-4) is part of Downstream project and has been commissioned in December 2023 with intended production capacity and the same was under Trial Run as on 31st March,2024. During the year, Trail Run loss of ₹ 17.33 crore was capitalised to CWIP.

7(c) Other Intangible Assets

(₹ in crores)

Particulars	Mining Assets	Software	Port License agreement / Service concession Arrangement *	Total
Cost/Deemed Cost				
At 1st April 2022	**350.48**	**47.14**	**-**	**397.62**
Acquisitions through Business Combination			11,031.98	11,031.98
Additions	117.12	4.14	-	121.26
Deletions	-		-	-
At 31st March 2023	**467.60**	**51.28**	**11,031.98**	**11,550.86**
Acquisitions through Business Combination	-	-	832.70	832.70
Additions	1.08	44.32	-	45.40
Deletions	-	-	1.15	1.15
At 31st March 2024	**468.68**	**95.60**	**11,863.53**	**12,427.81**
Accumulated Amortisation				
At 1st April 2022	**23.05**	**29.09**	**-**	**52.14**
Charge for the year	23.93	3.97	150.52	178.42
Disposals	-	-	-	-
At 31st March 2023	**46.98**	**33.06**	**150.52**	**230.56**
Charge for the year	32.88	8.93	408.29	450.10
Disposals	-	-	-	-
At 31st March 2024	**79.86**	**41.99**	**558.81**	**680.66**
Net book value				
At 31st March 2024	**388.82**	**53.61**	**11,304.72**	**11,747.15**
At 31st March 2023	**420.62**	**18.22**	**10,881.46**	**11,320.30**

** Port License Agreement/Service Concession Arrangement includes License to operate port at Hazira Port from Gujarat Maritime Board ,at Paradeep Port from Paradeep Port trust and at Visakhapatnam from Visakhapatnam Port Trust (VPT) which were acquired on business acquisition of port entities during the year (Refer Note 57)*

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

7(d) Intangible under development

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cost		
Opening	52.38	21.63
Additions	30.27	34.97
Capitalisation	(42.00)	(4.22)
Closing	**40.65**	**52.38**

Intangible under development Ageing Schedule

(₹ in crores)

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	25.04	15.61		-	40.65	30.46	12.56	9.36	-	52.38
Total	**25.04**	**15.61**	**-**	**-**	**40.65**	**30.46**	**12.56**	**9.36**	**-**	**52.38**

Projects are in progress, whose completion is overdue or exceeded its cost compared to its original plan:

(₹ in crores)

Particulars	To be completed in									
	As at 31st March, 2024					As at 31st March, 2023				
	< 1 year	1-2 years	2-3 years	>3 years	Total	< 1 year	1-2 years	2-3 years	>3 years	Total
SAP Upgradation project (S4 Hana)	-	-	-	-	-	26.95	-	-	-	26.95
Other Projects	21.07	-	-	-	21.07	9.99	-	-	-	9.99
Total	**21.07**	**-**	**-**	**-**	**21.07**	**36.94**	**-**	**-**	**-**	**36.94**

7(e) Details of Depreciation and Amortisation are as follows:

(₹ in crores)

Particulars	For the Year ended	
	31st March, 2024	31st March, 2023
Depreciation on Property, Plant and Equipments	2,258.98	2,063.56
Amortisation on Intangible Assets	450.10	178.42
Depreciation on Right of Use Asset (Refer Note 50)	166.97	329.90
Depreciation and amortisation as per statement of profit and loss	**2,876.05**	**2,571.88**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

7(f) Goodwill

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Goodwill on Consolidation	6,477.81	6,448.58
	6,477.81	**6,448.58**
Movement in Goodwill:		
Goodwill at the beginning of the year	6,448.58	-
Goodwill generated during the year	29.23	6,448.58
Goodwill at the end of the year	**6,477.81**	**6,448.58**

7(g) Impairment Assessment of Goodwill and Intangible assets

1. The carrying value of the Goodwill and Port License/Concessionaire Agreement pre-dominantly relates to Goodwill and Port Licenses/Concessionaire Agreement that arose on the acquisition of ports, power plants and other logistics and infrastructure assets.

2. The Company has identified Group as its single CGU on which carrying value of goodwill and Port Licenses/Concessionaire Agreement needs to be allocated.

3. The recoverable amounts of the CGUs are determined from value-in-use calculations. The calculation uses five years projections. Value in use has been determined based on the discount rates, growth rates and expected changes to direct costs during the year.

4. Key assumptions for the value in use calculations includes:

   i. The rates used to discount the forecasts is 13.5% p.a. to arrive at present value of the cash flows.

   ii. Cash flows beyond five years have been extrapolated using a steady growth rate in the range of 4% per annum.

   iii. Appropriate industrial beta has been applied (based on the comparative companies data) to arrive at the weighted average cost of capital.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount of Goodwill and Port Licenses/Concessionaire Agreement to exceed its recoverable amount.

8 (a) Non-Current Investments

(₹ in crores)

	Particulars	As at 31st March, 2024		As at 31st March, 2023	
(i)	**Investment in Associates (At equity method)**				
	Unquoted Equity Instrument				
	2 (Previous Year : 2) fully paid Equity Shares of AED 0.1 million (Previous Year : AED 0.1 million) each of Essar Steel Processing FZCO Dubai[6]	0.25		0.25	
	Share of accumulated reserve of Associate	(0.25)	-	(0.25)	-
	10,000 (Previous Year : 10,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of New Age Education and Skills Foundation		0.01		0.01
	43,850,746 (Previous Year : 39,000,000) fully paid Equity shares of ₹ 10 (Previous Year : ₹ 10) each of AM Green Energy Private Limited	52.00		39.00	
	Share of opening accumulated reserve of Associate	(0.27)		-	
	Share in investment of associate	200.63		-	
	Share in Loss of Associate during the year	(3.81)		(0.27)	
			248.55		38.72
	Investment in Associates (Total) (A)		**248.56**		**38.73**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

	Particulars	As at 31st March, 2024		As at 31st March, 2023	
(ii)	**Investment - Others**				
	(i) Equity Instruments - Unquoted (Carried at FVOCI)[3]				
	50,000 (Previous Year : 50,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of AMNS Steel Logistics Limited[2] (fka Essar Steel Logistics Limited)[Cost- ₹ 0.05 crore]	-	-	-	-
	250,000 (Previous Year : 250,000) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Frontline Roll Forms Private Limited [Cost- ₹ 0.25 crore]	-	-	-	-
	20 (Previous Year : 20) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Essar Commvision Limited (# ₹ 200)		#		#
	Equity Instrument- Quoted (Carried at FVOCI)				
	Nil (Previous Year : 1,273,611) fully paid Equity Shares of ₹ 10 (Previous Year : ₹ 10) each of Essar Shipping Limited[4]		-		1.02
	Convertible Debentures (Carried at FVTPL)				
	Nil (Previous Year : 1,065,585) fully paid Compulsory Convertible Cumulative Debenture of ₹ 1000 (Previous Year : ₹ 1000) each of AMW Auto Component Limited (Cost-₹ 106.56 crores)		-		-
	Compulsorily Convertible Preference Shares (Carried at FVTPL)				
	2,355,533,400(Previous Year : 2,143,333,400) 0.01% Compulsory Convertible Preference Shares of ₹ 10 (Previous Year : ₹ 10) each of AM Mining India Private Limited[1]		7,329.73		6,430.00
	Investment - Others (Total) (B)		**7,329.73**		**6,431.02**
	Investment (A)+(B)		**7,578.29**		**6,469.75**
	Aggregate amount of Unquoted Investments		7,578.29		6,468.73
	Aggregate amount of Impairment		-		-
			7,578.29		**6,468.73**
	Aggregate amount of quoted investments and market value		-		1.02
			-		**1.02**

1 During the year the Company has invested ₹ 899.73 crores in compulsorily convertible preference shares (CCPS) of AM Mining India Private Limited (AMIPL) on 3rd May, 2023. Company has also subscribed CCPS in this Company in previous year ₹ 2,370 crores and ₹ 4,060 crores on 6th July, 2020 and on 1st November, 2022 respectively.

To assess control over AM Mining, the Company has evaluated that AMNSI has invested in AM Mining in the capacity of an agent of parent companies and does not exercise control (in consolidated financial statements) and accordingly, the investment in CCPS has been recognised at Fair value through Profit and Loss.

2 Order directing winding up of AMNS Steel Logistic was passed by NCLT on 28th Janurary, 2022 and Liquidator had taken this company under his control, hence AMNSI ceased to control the entity.

3 Investments at fair value through OCI reflect investment in quoted/unquoted equity securities. These are designated as FVOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

4 During the year, the Company sold its investment in Essar Shipping Limited, which had a fair value of ₹ 4.00 crores. A gain of ₹ 0.82 crores on the sale of these shares has been recognized in the Statement of Profit and Loss for the year.

5 The Company holds 100% equity of M/s New Age Education and Skills foundation (the New Age), which has registered under section 8 of the Companies Act 2013. Based on understanding with third party, who is expected to acquire 50% shareholding in the entity and already having 50% participation in the Board of Directors, it has been assessed that the Company does not have

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

control on the New Age and it has been classified as an Associate. Further the New Age cannot distribute its surplus income to the shareholders nor the shareholders will receive distribution of residual assets on winding-up of the entity, hence there is no profit pick-up accounted by the Group.

6 It was agreed between the Company and Essar Exploration & Production India Limited ("EEPIL") that the Company will sell its shareholding in Essar Steel Processing FZCO, Dubai ("ESPF") of 2 Shares i.e., 40% shareholding of ESPF to EEPIL along with all the rights and benefits attached them. The share transfer is yet to be executed by the parties.

8 (b) Current Investments

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments in Mutual Fund (Unquoted) (Carried at FVTPL)	2,217.94	1,199.17
Current Investments (Total)	**2,217.94**	**1,199.17**
Aggregate amount of Unquoted Investments	2,217.94	1,199.17
	2,217.94	**1,199.17**

9 Non-current Loans

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Loan to Related Party (Refer Note 46) (at amortised cost)	312.68		181.36	
Less : Allowance for Expected credit loss (ECL)	-		-	
		312.68		181.36
		312.68		**181.36**
Movement in Allowance for ECL:				
Provision for ECL at the beginning of the year		-		2,284.73
Add: Additional provision during the year (Refer Note 54)		-		588.40
Less: Write off during the year		-		(2,873.13)
Provision for ECL at the end of the year		**-**		**-**

10 Other Non-Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Security Deposit - at amortised cost				
Considered good	1,208.96		995.18	
Considered doubtful	3.89		3.30	
Less : Allowance for Expected credit loss (ECL)	3.89		3.30	
		1,208.96		995.18
Banks Deposits with maturity period more than 12 months (Refer note 15) - at amortised cost		25.40		31.01
Derivative Financial Instruments - at FVOCI		916.21		879.60
Gratuity Fund		1.06		1.36
		2,151.63		**1,907.15**
Movement in Allowance for ECL:				
Provision for ECL at the beginning of the year		3.30		8.82
Addition during the year		0.70		-
Less: Write off during the year		-		5.31
Less: Reversal during the year		0.11		0.21
Provision for ECL at the end of the year		**3.89**		**3.30**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

11 Other Non-Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances	4,605.45	3,720.47
Advance to Supplier	-	0.09
	4,605.45	**3,720.56**

12 Inventories

(Valued at lower of cost and net realizable value)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw Materials	1,871.54	1,817.68
Goods-in transit	1,378.32	992.33
Work-in-Progress	3,840.70	4,053.83
Finished Goods*	1,611.32	1,383.08
Stock - in - Trade	10.65	-
Stores and Spares	989.20	972.07
Goods-in transit	62.02	36.55
Production Consumables	523.69	612.08
Goods-in transit	27.67	55.71
Fuel	341.79	157.46
Goods-in transit	53.94	-
	10,710.84	**10,080.79**

No provision for write-down on value of inventory recognised in statement of Profit and Loss.

**Finished Goods includes trial run inventory of ₹ 48.87 crores (Previous Year Nil)*

13 Trade Receivables (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables- considered good- Unsecured	940.48	1,567.24
Trade Receivables - credit impaired - Unsecured	64.52	267.62
	1,005.00	1,834.86
Allowance for ECL:		
Trade Receivables- considered good- Unsecured	(38.82)	(15.52)
Trade Receivables - credit impaired- Unsecured	(64.52)	(267.62)
	901.66	**1,551.72**
Movement in Allowance for ECL:		
Provision for ECL at the beginning of the year	283.14	340.63
Add: Additional provision during the year (Including Exchange Variation)	63.52	-
Less: Writeoff during the year (Including Exchange Variation)	238.51	5.93
Less: Reversal during the year	4.81	51.56
Provision for ECL at the end of the year	**103.34**	**283.14**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

i. Trade receivables does not include any receivables from directors and officers of the Company or from firms or private companies respectively in which such director is a partner, a director or a member.

ii. Trade receivables from related parties have been described in Note 46.

iii. The credit period on sale of goods ranges from 7 to 90 days. The Company charges interest on receivables beyond credit period in case of certain customers.

Trade Receivables Ageing as on 31st March 2024:

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	701.47	200.19	4.90	25.80	5.22	2.90	940.48
Undisputed Trade receivable - credit impaired	-	40.22	-	-	-	24.30	64.52
Total	**701.47**	**240.41**	**4.90**	**25.80**	**5.22**	**27.20**	**1,005.00**

Trade Receivables Ageing as on 31st March 2023:

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,235.25	316.47	2.86	8.54	2.22	1.90	1,567.24
Undisputed Trade receivable - credit impaired	-	-	-	-	-	267.62	267.62
Total	**1,235.25**	**316.47**	**2.86**	**8.54**	**2.22**	**269.52**	**1,834.86**

14 Cash and Cash Equivalents

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
In Current Accounts	390.75	483.23
Deposits with original maturity of less than 3 months	1,749.93	1,482.95
Cheques on hand	3.23	3.64
Cash on hand	0.03	0.01
	2,143.94	**1,969.83**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

15 Bank Balances other than Cash & Cash Equivalents

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deposits with original maturity for more than 3 months but less than 12 months (Refer Note 10)	4,908.19	1,277.39
Deposits with remaining maturity less than 12 months	558.19	367.43
Margin Money	276.94	2,551.71
	5,743.32	**4,196.53**

Margin Money ₹ 302.34 crores (Previous Year : ₹ 2,582.72 crores) (including Margin money on Non current term deposits in Other Non-Current financial Assets ₹ 25.40 crores (Previous Year : ₹ 31.01 crores) with balance maturity period of more than 12 months - Refer Note 10) have been pledged with banks as a security for opening Letters of Credit, Short Term Borrowings and against Bank Guarantees.

16 Current Loans (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Loan to Related Party (Refer note 46)				
Considered Good	-		-	
Considered doubtfull	-		0.39	
Less : Allowance for Expected credit loss (ECL)	-		0.39	
		-		-
Loans and Advances to Staff				
Considered Good	0.94		2.31	
Credit Impaired	0.70		-	
Less : Allowance for Expected credit loss (ECL)	0.70	0.94	-	2.31
		0.94		**2.31**
Movement in Allowance for ECL:				
Provision for ECL at the beginning of the year		0.39		0.41
Add: Additional provision during the year		0.70		-
Less: Reversal during the year		(0.39)		0.02
Provision for ECL at the end of the year		**0.70**		**0.39**

17 Other Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Security Deposits - at amortised cost	227.39		559.17	
Considered good	5.03		4.81	
Considered doubtfull	5.03		4.81	
		227.39		559.17
Export Benefits - at amortised cost		18.89		19.48
Interest Accrued on Loans & Deposits - at amortised cost		6.78		3.63
Derivative Financial Instruments - at FVOCI		882.30		3,455.12
Derivative Financial Instruments - at FVTPL		19.77		10.34
Other Receivables - at amortised cost	183.18		181.11	
Less : Allowance for Expected credit loss (ECL)	-		20.84	
		183.18		160.27
		1,338.31		**4,208.01**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Movement in Allowance for ECL		
Provision for ECL at the beginning of the year	25.65	187.22
Add: Additional provision during the year	0.30	-
Less: Write off during the year	20.84	138.42
Less: Reversal during the year	0.08	23.15
Provision for ECL at the end of the year	**5.03**	**25.65**

18 Other Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Advances to Suppliers				
Considered good	345.88		310.20	
Considered doubtfull	610.57		718.62	
Less: Impairment Allowance	610.57		718.62	
		345.88		310.20
Balances with Government Authorities				
Considered good	1,430.98		1,453.12	
Considered doubtfull	142.49		132.36	
Less: Impairment Allowance	142.49		132.36	
		1,430.98		1,453.12
Claims Receivables				
Considered good	81.49		202.72	
Considered doubtfull	957.20		993.69	
Less: Impairment Allowance	957.20		993.69	
		81.49		202.72
Prepaid Expenses		54.11		148.21
		1,912.46		**2,114.25**

19 Share Capital

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Authorised				
79,900,000,000 (Previous Year : 79,900,000,000) Equity Shares of ₹ 10 each		79,900.00		79,900.00
100,000,000 (Previous Year : 100,000,000) 10% Cumulative Redeemable Preference Shares of ₹ 10 each		100.00		100.00
		80,000.00		**80,000.00**
Movement in Authorised Share Capital due to Composite Scheme of Arrangement (scheme)(Refer note 53)	**Number**	**₹ in crores**	**Number**	**₹ in crores**
Outstanding at the beginning of the year	80,000,000,000	80,000.00	30,000,000,000	30,000.00
Increase pursuant to scheme	-	-	50,000,000,000	50,000.00
After considering impact of scheme	**80,000,000,000**	**80,000.00**	**80,000,000,000**	**80,000.00**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Issued, Subscribed and Paid up		
25,041,306,142 (Previous Year : 25,041,306,142) Equity Shares of ₹ 10 each to be issued [Refer point (c) below]	25,041.31	25,041.31
	25,041.31	**25,041.31**

a i. **Reconciliation of number of shares outstanding at the beginning and at the end of the year:**

Equity Shares	31st March, 2024		31st March, 2023	
	Number	₹ in crores	Number	₹ in crores
At the beginning of the year	25,041,306,142	25,041.31	25,041,306,142	25,041.31
Issued during the year	-	-	-	-
Outstanding at the end of the year	25,041,306,142	25,041.31	25,041,306,142	25,041.31

ii. **Movement in Shareholding due to Composite Scheme of Arrangement (scheme)(Refer note 53)**

Particulars	31st March, 2024		31st March, 2023	
	Number	₹ in crores	Number	₹ in crores
Outstanding at the beginning of the year	25,041,306,142	25,041.31	-	-
Before considering impact of scheme	-	-	9,222,000,000	9,222.00
Cancelled and extinguished as per the scheme	-	-	(9,222,000,000)	(9,222.00)
Shares to be issued pursuant to scheme [Refer (c) below]	-	-	25,041,306,142	25,041.31
Outstanding at the end of the year	25,041,306,142	25,041.31	25,041,306,142	25,041.31

b **Rights, preferences and restrictions attached to shares**

Equity Shares

The Company has one class of Equity Shares having face value of ₹ 10 per share. Every shareholder is entitled to one vote for every one share held. In the event of liquidation, the equity share holders shall be entitled to receive remaining assets of the Company after distribution of all dues in proportion to their shareholdings.

c **Shares held by Parent Company**

In terms of the composite scheme of arrangement authorised share capital of the Company has been increased to ₹ 80,000 crores on amalgamation of ArcelorMittal India Private Limited (AMIPL) with the Company. On 25th September 2023, the Board of Directors has approved the allotment of 25,041,306,142 fully paid-up Equity shares of ₹ 10 each of the Company to Oakey Holding B.V. (in its capacity as the shareholder of AMIPL) for settlement of consideration for the amalgamation of AMIPL with the Company as per said scheme.

d **Details of shareholders holding more than 5% shares in the Company**

Equity Shares	31st March, 2024		31st March, 2023	
	Number	% of Holding	Number	% of Holding
Oakey Holding B.V. [Refer point (c) above]*	25,041,306,142	100.00	25,041,306,142	100.00
	25,041,306,142	100.00	25,041,306,142	100.00

* Includes shares held by nominee shareholders.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

e **Details of shares held by promoter**

As at 31st March, 2024

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	%of Total Shares	%change
Equity Shares of ₹ 10 each	Oakey Holding B.V.	25,041,306,142	-	25,041,306,142	100	-

As at 31st March, 2023

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	%of Total Shares	%change
Equity Shares of ₹ 10 each	Oakey Holding B.V.	25,041,306,142	-	25,041,306,142	100	-

20 Other Equity

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Capital Reserves		5,534.37		5,534.37
Equity Component of financial instrument		200.63		-
Securities Premium Account		7,814.61		7,814.61
Capital Reserve on Consolidation		(623.00)		(623.00)
Capital Contribution		1,997.71		1,997.71
Tonnage Tax Reserve		11.65		6.63
General Reserve		77.51		77.51
Retained Earnings		2,441.05		(4,852.45)
Other Comprehensive Income (OCI)				
i. Foreign Currency Monetary Item Translation Difference	162.84		148.50	
ii. Effective portion of cash flow hedges	1,342.32		5,634.06	
iii. Fair Value through OCI- Equity Instrument	(18.60)		(28.40)	
		1,486.56		5,754.16
		18,941.09		**15,709.54**

a) **Capital Reserves**

Reserve is created as per composite scheme of arrangement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013. (Refer Note 53)

b) **Securities Premium**

Security premium comprises the premium received on issue of shares. The reserve can be utilised in accordance with the provisions of Companies Act, 2013.

c) **General Reserve**

The reserve is a distributable reserve maintained by the Company. This is a free reserve and can be utilised in accordance with Companies Act, 2013.

d) **Effective portion of cash flow hedges**

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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

e) Fair Value through OCI- Equity Instrument

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

f) Capital Contribution

During FY 2020-21, the company and its ultimate parents (AMNS Luxembourg) have made certain modifications in the existing debt agreement. In view of the said modifications, net interest expense of ₹ 246.26 crores were recognised as capital contribution. Further company received waiver of borrowings from AMNS Luxembourg amounting to ₹ 1,418.89 crores and this was also recognised as capital contribution. During the year FY 2019-20, subsequent to settlement of claim of Standard Chartered Bank under the CIRP on behalf of the Company, the same was waived off by AMNS Luxembourg and an amount of ₹ 60.09 crores was recognised as capital contribution. Capital contribution amounting to ₹ 87.83 crores was acquired as per the composite scheme of arrangement. Furthermore, during the year FY 2021-22 the company and its parent company (Oakey Holding B.V.) have made certain modification in the existing bond agreement. In view of the said modification the net interest expenses of ₹ 184.63 crores had been transferred to capital contribution.

g) Retained Earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

h) Capital Reserve on Consolidation

This reserve is created on acquisition of AMNS International FZ LLC (fka Essar Steel UAE Ltd.) and PT AM/NS Indonesia (fka PT Essar Indonesia) under pooling of Interests method in accordance with Appendix C of IND AS 103.

i) Tonnage Tax Reserve

This reserve is a statutory reserve as per requirement of section 115VT of the Income Tax Act, 1961 for the purpose of complying with the conditions for applicability of tonnage tax scheme.

21 Non-Current Borrowings (at amortised cost)(Refer Note 58)

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current Maturity	Non Current	Current Maturity
Secured				
Term Loan				
From Financial Institutions	2.19	4.88	7.08	1.26
From Related Party (Refer Note 46)	-	-	4,436.47	9.57
Unsecured				
Bonds From Related Party (Refer Note 46)	26,321.97	4575.74	25,548.31	3,613.33
Term Loan From Related Party (Refer Note 46)	12,246.84	48.90	-	-
Less: Amount shown under Current Borrowing (Refer Note 26)		(4,629.52)		(3,624.16)
	38,571.00	**-**	**29,991.86**	**-**

22 Other Non Current Financial Liabilities (at amortised cost)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Brand usage charges payable*	1,430.63	1,563.06
	1,430.63	**1,563.06**

**Represents liability towards restriction on Brand usage and current portion of ₹ 125.57 crores (previous year ₹ 178.23 crores) accounted under Other Current Financial Liabilities (Refer Note 28).*

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

23 Non Current Provisions

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Gratuity (Refer Note 49)	78.18	61.14
Compensated Absences	34.75	22.78
Provision for Asset Retirement Obligation*	145.00	133.02
	257.93	**216.94**
Movement of Asset Retirement Obligation		
Opening Balance	133.02	4.93
Addition during the year	-	117.12
Interest Accrued	11.98	10.97
Closing Balance	**145.00**	**133.02**

**Provision for asset retirement obligations represents estimates towards the expected expenditure for restoring the mining area and other obligatory expenses as per the mine closure plan.*

24 Deferred Tax Liabilities/(Assets) (net)

Deferred Tax Liabilities/(Assets) movement for the year ended on 31st March,2024

(₹ in crores)

Particulars	As at 1st April 2023	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	Addition on Business Combination	As at 31st March 2024
Expenses allowable for tax purposes on payment basis	0.04	(0.04)	-	-	-
Net Deferred Tax Assets (India)	**0.04**	**(0.04)**	**-**	**-**	**-**
Property, plant and equipment and Intangible Assets	7,468.96	(173.64)	-	72.34	7,367.66
Unrealised gain on Investments	21.99	69.62	-	-	91.61
Right of Use Assets (ROU)	553.01	(16.50)	-	-	536.51
Derivative Assets	634.55	1,260.60	(1,448.50)	-	446.65
Deferred Tax Liabilities	**8,678.51**	**1,140.08**	**(1,448.50)**	**72.34**	**8,442.43**
Assets retirement obligation	(33.48)	(3.02)	-	-	(36.50)
Carried forward Unabsorbed depreciation	(1,239.62)	1,171.26	-	(17.64)	(86.00)
Lease Liability	(562.36)	42.68	-	-	(519.68)
Deferred Gain on Lease	(34.53)	4.46	-	-	(30.07)
MAT Credit	(327.49)	25.27	-	-	(302.22)
Provision for doubtful Assets	(687.72)	76.87	-	-	(610.85)
Expenses allowable for tax purposes on payment basis and others	(304.17)	(2.34)	-	-	(306.51)
Deferred Tax Assets	**(3,189.37)**	**1,315.18**	**-**	**(17.64)**	**(1,891.83)**
Net Deferred Tax Liability (India)	**5,489.14**	**2,455.26**	**(1,448.50)**	**54.70**	**6,550.60**
Property, plant and equipment	27.88	0.07	-	-	27.95
Deferred Tax Liabilities (Outside India)	**27.88**	**0.07**	**-**	**-**	**27.95**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 1st April 2023	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	Addition on Business Combination	As at 31st March 2024
Others	(7.00)	1.54	-	-	(5.46)
Deferred Tax Assets (Outside India)	**(7.00)**	**1.54**	**-**	**-**	**(5.46)**
Net Deferred Tax Assets (Outside India)	**20.88**	**1.61**	**-**	**-**	**22.49**
Net Deferred Tax Liability (Total)	**5,510.02**	**2,456.87**	**(1,448.50)**	**54.70**	**6,573.09**

Deferred Tax Liabilities/(Assets) movement for the year ended on 31st March,2023

(₹ in crores)

Particulars	As at 1st April 2022	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	Addition on Business Combination	As at 31st March 2023
Expenses allowable for tax purposes on	0.09	(0.05)	-	-	0.04
Net Deferred Tax Assets (India)	**0.09**	**(0.05)**	**-**	**-**	**0.04**
Property, plant and equipment and Intangible Assets	4,083.32	(17.66)	-	3,403.30	7,468.96
Unrealised gain on Investments	33.41	(11.42)	-	-	21.99
Right of Use Assets (ROU)	646.21	(93.20)	-	-	553.01
Deferred Tax Liabilities	**4,762.94**	**(122.28)**	**-**	**3,403.30**	**8,043.96**
Assets retirement obligation	-	(33.48)	-	-	(33.48)
Carried forward Unabsorbed depreciation	(1,302.63)	63.01	-	-	(1,239.62)
Derivative Assets	3,199.22	(1,255.56)	(1,309.11)	-	634.55
Lease Liability	(654.47)	92.11	-	-	(562.36)
Deferred Gain on Lease	(38.98)	4.45	-	-	(34.53)
Provision for doubtful Assets	(411.05)	(275.61)	-	(1.06)	(687.72)
MAT Credit	-	22.22		(349.71)	(327.49)
Expenses allowable for tax purposes on payment basis and others	(1,400.22)	1,096.05	-	-	(304.17)
Deferred Tax Assets	**(608.13)**	**(286.81)**	**(1,309.11)**	**(350.77)**	**(2,554.82)**
Net Deferred Tax Liability (India)	**4,154.81**	**(409.09)**	**(1,309.11)**	**3,052.53**	**5,489.14**
Property, plant and equipment	26.07	1.81	-	-	27.88
Deferred Tax Liabilities (Outside India)	**26.07**	**1.81**	**-**	**-**	**27.88**
Provision for Advances	(12.08)	12.08	-	-	-
Others	(6.55)	(0.45)	-	-	(7.00)
Deferred Tax Assets (Outside India)	**(6.55)**	**(0.45)**	**-**	**-**	**(7.00)**
Net Deferred Tax Liability	**19.52**	**1.36**	**-**	**-**	**20.88**
Net Deferred Tax Liability (Total)	**4,174.33**	**(407.73)**	**(1,309.11)**	**3,052.53**	**5,510.02**

Group has assessed recoverability of Minimum Alternate Tax (MAT) balance and concluded that there is reasonable certainty that sufficient future taxable income would be available in future years to realise the MAT. Expiry date of MAT credit ranges from year 2027-28 to year 2036-37. Group expects to utilise the MAT credit within period of 2 years.

Income tax authorities have made various adjustments during the tax assessment/reassessments for various years and reduced the loss amount claimed by the Company . The Company has filed appeals before the Appellate and Judicial levels against the said adjustments. Pending outcome of the appeal, the Company has not recognised deferred tax asset on unabsorbed depreciation (with no expiry) amounting to ₹6,368.47 Crores.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

25 Other Non-Current Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred gain (Refer Note 30)	101.75	119.51
	101.75	**119.51**

** At the time of transition to IND AS, a sale and leaseback transaction was assessed as finance lease under Appendix C to Ind AS 17. Therefore, the gain on sale of business undertaking is deferred over the period of the arrangement.*

26 Current Borrowings (Refer Note 58)

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Current maturities of long-term Borrowings	4.88	10.83
Loans From Banks	-	1,574.21
Unsecured		
Current maturities of long-term Borrowings	4,624.64	3,613.33
Commercial Paper	-	971.42
	4,629.52	**6,169.79**

27 Trade Payables

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Total outstanding dues of micro and small enterprises		169.39		178.34
Acceptance for Capital Goods				
Total outstanding dues of creditors other than micro and small enterprises				
Acceptances	1,167.91		2,037.28	
Others	4,992.34		4,102.68	
		6,160.25		6,139.96
		6,329.64		**6,318.30**

1. Trade Payables are majority non-interest bearing and other than Acceptances are normally settled within 30 to 120 days.
2. Trade payable to related parties have been described in Note 46.

Payable Ageing as on 31st March 2024:

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues- Micro & Small Enterprises	0.34	156.58	12.18	0.20	0.05	0.04	169.39
(ii) Undisputed dues-Others	1,196.06	3,153.36	591.62	0.65	0.57	1.36	4,943.62
(iii) Disputed dues – Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	1,216.63	-	-	-	-	-	1,216.63
Total	**2,413.03**	**3,309.94**	**603.80**	**0.85**	**0.62**	**1.40**	**6,329.64**

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for the year ended 31st March, 2024

Payable Ageing as on 31st March 2023:

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues- Micro & Small Enterprises	0.47	154.98	22.76	0.08	0.04	0.01	178.34
(ii) Undisputed dues-Others	1,194.26	3,559.46	295.59	0.87	1.07	0.58	5,051.83
(iii) Disputed dues – Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	1,088.13	-	-	-	-	-	1,088.13
Total	**2,282.86**	**3,714.44**	**318.35**	**0.95**	**1.11**	**0.59**	**6,318.30**

28 Other Current Financial Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payable for Capital Expenditures - at amortised cost	1,693.83	630.79
Derivative Financial Instruments - at FVTPL	16.01	16.90
Derivative Financial Instruments - at FVOCI	5.55	-
Security Deposits Received - at amortised cost	4.51	9.24
Other Liabilities (Refer Note 47(2)) and 22)	2,595.82	2,642.30
	4,315.72	**3,299.23**

27 Current Provisions

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Employee benefits-Compensated Absences	5.15	4.22
Provision for Mining Duties*	130.71	130.71
	135.86	**134.93**

** During the preceding to previous year, the Company received a demand letter from Office of the Joint Director of Mines, Joda on shortfall in the minimum production/dispatch required under Mine Development Production Agreement for an amount of ₹ 130.71 crores. The Company paid ₹ 35.30 crores under protest against the demand of ₹ 130.71 crores on October 05, 2021. Later on, the Company filed a writ petition at High Court of Orissa and stay has been granted after additional deposit of ₹ 10 crores. The Company has created a provision of ₹ 130.71 crores on prudent basis.*

30 Other Current Liabilities

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance from Customer	282.29	429.08
Deferred gain (Refer Note 25)	17.70	17.73
Statutory Dues	456.47	453.34
	756.46	**900.15**

31 Revenue from Operations

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Sale of products	53,205.63	54,756.99
Sale of services	162.17	156.74
Other operating revenues	6,220.11	725.63
	59,587.91	**55,639.36**

For disaggregation of revenue refer Note 43-Segment Information.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Information about Products and Services:

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
	Quantity	₹ in crores	Quantity	₹ in crores
Hot/Cold Rolled Coils, Sheets & Plates		46,663.73		45,387.86
Pellets		2,152.30		2,380.40
Pipes		1,460.18		1,796.60
Natural Gas		239.70		3,417.47
Others		2,689.72		1,774.66
Total Products Sales		**53,205.63**		**54,756.99**
Services Rendered and Other Operating Revenue				
Sale of services		162.17		156.74
Gain on settlement of derivative instruments*	4,983.05		-	
Other operating revenues	186.20		-	
Scrap Sales	963.61		635.72	
Export Benefit	87.25		89.91	
		6220.11		725.63
Revenue from Operations		**59,587.91**		**55,639.36**

The Group does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss. Sale of Services includes mainly job work income, which is identified as separate performance obligation under Ind AS 115.

**The Group had entered into certain derivative contracts to hedge the price risk on purchases of Natural Gas which were tested for hedge effectiveness in previous year and the gain realised on these derivative contracts were credited to cash flow hedge reserve in other comprehensive income based on the future forecasted purchases of Natural Gas. During the year, the Natural gas was procured from alternate sources instead of the sources which were designated as hedge item for hedge accounting resulting in discontinuance of hedge. Consequently, the gains on aforesaid derivative contracts has been reclassified from cash flow hedge reserve to the Statement of Profit and Loss.*

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment information (refer note 43)

Timing of revenue recognition

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Sale of products	53,205.63	54,756.99
Sale of services	162.17	156.74
Other operating revenue	6,220.11	725.63
Total revenue from operations	**59,587.91**	**55,639.36**
India	45,719.00	46,397.00
Outside India	13,868.91	9,242.36
Total revenue from operations	**59,587.91**	**55,639.36**
At a point in time	59,587.91	55,639.36
Total revenue from operations	**59,587.91**	**55,639.36**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Contract Balances

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Contract Assets		
Trade Receivables (refer note 13)	901.66	1,551.72
Contract liabilities		
Advance from customers (refer note 30)	282.29	429.08

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 429.08 crores (previous year ₹ 553.44 crores) and performance obligations satisfied in previous years ₹ Nil (previous year ₹ NIL).

The total contract liabilities outstanding as on 31st March, 2024, ₹ 282.29 crores (previous ₹ 429.08 crores) will be recognised by 31st March, 2025.

32 Other Income

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Interest Income on Financial Assets measured at amortised cost				
Bank Deposits*		240.00		418.88
Inter Corporate Deposits		32.27		12.75
Compulsorily Convertible Preference Shares		0.51		-
Security Deposit		105.96		-
Others		0.98		50.17
Rent		8.63		6.27
Other Non Operating Income				
Gain on sale of Investments	213.78		389.13	
Gain/Loss on fair valuation of Investments (FVTPL)	40.39		(121.29)	
		254.17		267.84
Gain on termination of lease		1.03		125.85
Amortisation of Deferred Gain (Refer note 25)		17.70		17.70
Liabilities/ Provision no longer required written back		22.39		268.66
Exchange Difference (Net)		-		108.79
Miscellaneous Income		11.23		15.31
		694.87		**1,292.22**

** Net of interest income capitalised ₹ 175.07 Crores (Previous year: Nil)*

33 Cost of Materials Consumed

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Raw Materials	23,628.15	28,559.37
Production Consumables	3,207.60	3,485.27
Interplant Freight for input materials	1,952.61	1,819.61
	28,788.36	**33,864.25**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

34 (Increase)/decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Opening Stock				
Finished Goods	1,383.08		1,060.51	
Work-in-Progress	4,053.83		4,053.87	
		5,436.91		5,114.38
Closing Stock				
Finished Goods	1,562.44		1,383.08	
Work-in-Progress	3,840.70		4,053.83	
Stock in Trade	10.65		-	
		5,413.79		5,436.91
(Increase)/Decrease in Inventories				
Finished Goods		(179.36)		(322.57)
Work-in-Progress		213.13		0.04
Stock in Trade		(10.65)		-
		23.12		**(322.53)**

35 Power and Fuel

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Petroleum Products - Fuel	3,304.71	3,289.90
Purchase of Power	3,522.01	3,818.24
	6,826.72	**7,108.14**

36 Employee Benefits expense*

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Salaries, wages and Bonus	783.49	630.19
Contribution to Provident and Other Funds (Refer Note 49)	58.93	48.90
Staff Welfare expenses	116.01	99.90
	958.43	**778.99**

** Net of employee benefit cost capitalised ₹ 173 Crores (Previous year: ₹ 61.26 Crores)*

37 Other Expenses

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Manufacturing & Asset Maintenance		
Repairs, Maintenance and Equipment Hire charges	1,112.65	900.79
Stores and Spares	1,064.93	1,003.77
Labour and Sub Contracting charges	991.80	662.68
Insurance	79.64	79.98
Water Charges	213.38	192.69

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Administrative Expenses		
Travelling and Conveyance	52.04	48.86
Printing and Stationery	9.19	8.20
Legal Fees	56.93	107.03
Professional Fees	251.53	216.26
Rent	71.45	62.80
Repairs, Maintenance - other than Plant	41.97	39.87
Insurance - other than Plant	34.35	30.07
Rates and Taxes	93.55	58.04
Directors' Sitting Fees	0.23	-
Loss on sale/write off of Property, Plant & Equipment/ CWIP	346.69	14.03
Allowance/write-off for Doubtful Debt/Trade Advances	86.28	1.76
Donations and Charities [Refer Note (a) below]	100.11	50.01
Corporate Social Responsibility (CSR) expenditure	333.73	96.57
Miscellaneous Expenses	158.00	71.65
Exchange Difference (Net)	22.71	-
Selling & Distribution Expenses		
Sales Commission	22.25	23.88
Freight Outward (net), Intercarting and Packing charges	2,315.98	2,471.52
Other Selling expenses	47.65	76.97
	7,507.04	**6,217.43**

(a) Donation includes ₹ 100 crore (previous year ₹ 50 crore) paid to Prudent Electroal Trust towards political donation.

38 Finance Costs

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Interest				
on Bond*	1,943.58		2,283.26	
on Term Loans#	286.74		243.84	
on Lease Liabilities	116.01		171.11	
Others^	430.20		283.00	
		2,776.53		2,981.21
Exchange differences regarded as adjustment to borrowing cost^^		38.90		461.55
Other Finance costs^^^		238.65		191.77
		3,054.08		**3,634.53**

**Net of interest cost capitalised ₹ 484.78 Crores (Previous year: Nil)*

 # Net of interest cost capitalised ₹ 426.43 Crores (Previous year: Nil)

^ Net of interest cost capitalised ₹ 28.49 Crores (Previous year: ₹ 21.99 Crores)

^^ Net of foreign exchange cost capitalised ₹ 76.50 Crores (Previous year: Nil)

^^^Net of Other Finance Cost capitalised ₹ 7.82 Crores (Previous year: Nil)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

39 Income Tax expense

(₹ in crores)

Particulars		For the Year 31st March, 2024	For the Year 31st March, 2023
Current Tax			
Current Tax		190.96	77.69
Excess Provision of Earlier Years (Net)		6.08	22.71
Deferred Tax			
Deferred Tax Charge / (Credit)		2,456.87	(395.65)
		2,653.91	**(295.25)**
(a)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**		
	Profit before Tax	9,978.45	2,405.34
	Applicable tax Rate	**25.17%**	25.17%
	Tax expenses at applicable tax rate	2,511.38	605.38
	Impact on account of composite scheme of arrangement	-	(900.57)
	MAT credit utilisation reversal	(52.00)	-
	Tax effect of amount which are not deductible in calculating taxable Income	165.93	181.96
	Reversal of Impairment on Land	-	(104.82)
	Change in tax rate	-	6.01
	Others	28.60	(83.21)
	Income Tax Expenses - Charge / (Credit)	**2,653.91**	**(295.25)**

In case of Dubai based subsidiaries, on 9th December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. Subsidiaries should be subject to the provisions of the UAE CT Law with effect from 1st April 2024, and current taxes shall be accounted for as appropriate in the financial statements for the financial year.

Based on the current provisions of the UAE CT Law (including interpretation based on the Ministerial decisions and related guidance) and in accordance with IAS 12 Income Taxes, no potential deferred tax assets or liabilities have been identified as at the reporting date.

40 Other Comprehensive Income

(₹ in crores)

Particulars		For the Year 31st March, 2024	For the Year 31st March, 2023
A.	**Items that will not be reclassified to profit or loss**		
(i)	**Items that will not be reclassified to profit or loss**		
	Fair Value of Equity Instruments through OCI	2.98	62.98
	Remeasurement gain/ (loss) on defined benefit plans	(23.27)	(7.87)
		(20.29)	**55.11**
(ii)	**Income tax relating to items that will not be reclassified to profit or loss**		
	Fair Value of Equity Instruments through OCI	(0.75)	(0.02)
	Remeasurement gain/ (loss) on defined benefit plans	5.82	2.24
		5.07	**2.22**
B.	**Items that will be reclassified to profit or loss**		
(i)	**Items that will be reclassified to profit or loss**		
	Effective portion of Cash flow hedges	(5,735.17)	(5,192.67)
	Foreign Currency Translation Reserve	14.34	65.38
		(5,720.83)	**(5,127.29)**
(ii)	**Income tax relating to items that will be reclassified to profit or loss**		
	Effective portion of Cash flow hedges	1,443.43	1,306.89
		1,443.43	**1,306.89**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

41 Financial Instruments and Risk Management

A Financial Instruments - Categories

The following table shows the classification and carrying values of various items of Financial assets and Financial liabilities:

(₹ in crores)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	FVOCI	FVTPL	Amortised Cost	FVOCI	FVTPL	Amortised Cost
Financial Assets (Current and Non-Current):						
Investments*	-	9,547.67	-	1.02	7,629.17	-
Trade Receivables	-	-	901.66	-	-	1,551.72
Cash and Cash Equivalents	-	-	2,143.94	-	-	1,969.83
Other Bank Balances	-	-	5,743.32	-	-	4,196.53
Other Financial Assets	1,798.51	19.77	1,671.66	4,334.72	10.34	1,770.10
Loans	-	-	313.62	-	-	183.67
Total Financial Assets	**1,798.51**	**9,567.44**	**10,774.20**	**4,335.74**	**7,639.51**	**9,671.85**
Financial Liabilities (Current and Non-Current):						
Borrowings	-	-	43,200.52	-	-	36,161.65
Lease Liabilities	-	-	1,714.18	-	-	1,544.94
Trade Payables	-	-	6,329.64	-	-	2,353.83
Buyers' credit/ Vendor Financing	-	-	2,921.07	-	-	6,318.30
Other Financial Liabilities	-	-	5,724.47	-	-	4,845.39
Derivative Financial Liability	5.55	16.33	-	-	16.90	-
Total Financial Liability	**5.55**	**16.33**	**59,889.88**	**-**	**16.90**	**51,224.11**

** The above investments does not include Equity investment in subsidiaries and Associates which are carried at cost.*

B. Fair Value Hierarchy

Level 1: It includes financial instruments measured using quoted prices. For the Company, the fair valuations in this level of hierarchy include listed equity instruments and mutual funds. The fair value of all equity instruments which are traded in the Stock Exchanges is valued using the closing price as at the reporting period and mutual funds are valued using closing NAV as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair valuations in this level of hierarchy for the Company mainly include derivatives.

Level 3: The instrument is included in level 3 if one or more of the significant inputs is not based on observable market data. Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes investment in unquoted Preference Shares.

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for the year ended 31st March, 2024

Fair Value Hierarchy for Financial Assets and Liabilities measured at Fair Value

(₹ in crores)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments	2,217.94	-	7,329.73	1,200.19	-	6,430.00
Derivative Financial Assets	-	1,818.28	-	-	4,345.06	-
	2,217.94	**1,818.28**	**7,329.73**	**1,200.19**	**4,345.06**	**6,430.00**
Financial Liabilities						
Derivative Financial Liability	-	21.88	-	-	16.90	-
	-	**21.88**	**-**	**-**	**16.90**	**-**

There have been no transfers between Level 1 and Level 2 during the year.

Inputs other than included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2024.

Particulars	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Compulsory Convertible Preference Shares (refer note 8)	DCF Method	Weighted Average Cost of Capital	13.50%	0.1% Increase/Decrease would result in Increase /Decrease in fair value by approx. ₹ 47 crores as of 31st March,2024.

Reconciliation of Level 3 measurement:

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Opening Balance	**6,430.00**	**5,381.93**
Addition	899.73	4,060.00
Reclassification	-	(11.73)
Provision/write-off during the year	-	(588.40)
Realisation	-	(2,411.80)
Closing Balance	**7,329.73**	**6,430.00**

Fair Value of Financial Assets and Liabilities measured at Amortised Cost -

(₹ in crores)

Particulars	For the Year 31st March, 2024		For the Year 31st March, 2023	
Financial Assets				
Other Non-Current Financial Assets and Loans(Refer note 9 & 10)	1,523.31	1,548.10	1,201.96	1,208.91
	1,523.31	**1,548.10**	**1,201.96**	**1,208.91**
Financial Liabilities				
Lease Liability (Refer note 50)	1,556.63	1,623.83	1,497.59	1,544.94
Other Non Current Financial liabilities (Refer note 22)	1,408.88	1,430.63	1,540.31	1,563.06
Borrowings -Non current (Including Current Maturity)	41,380.30	43,200.52	31,586.71	33,616.01
	44,345.81	**46,254.98**	**34,624.61**	**36,724.01**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

The carrying amounts of all other financial assets and liabilities carried at amortised cost are considered to be the approximately equal to their fair values.

The fair values as disclosed above are calculated based on discounted cash flows using a rate that reflects market risk.

C. Financial Risk Management

The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Group due to market risks, the Group enters into various derivative contracts. Derivatives are taken only to mitigate the risk and not for speculative purposes.

The Group's financial risk management is carried out by the Treasury & Risk Department under policies approved by the Board of Directors.

- Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk on deposits with banks and other parties, trade receivables, loans, mutual funds, derivative contracts and other financial assets. The Group periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual limits are set accordingly. Certain bank deposits are placed as collateral / margin money to avail fund & non-fund based facilities from Banks / Financial Institutions. Hence, there is no significant credit risk on such Deposits.

Trade Receivable: The Group trades with recognized and creditworthy third parties. However, the Group is exposed to credit risk in event of non-payment by customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to identify any significant decline in credit worthiness of the customers. Generally, the Group does not enter into sales transaction with customers having credit loss history. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base. Credit risk in majority of cases are mitigated by Letter of Credit / advances from the customer. In determining allowance for credit losses of trade receivables, the Group uses practical expedient by assessing credit risk which takes into account historical credit loss experience and is adjusted for forward looking information. Expected Credit Loss for 100% of the receivables are recognized if the receivable remains past due for more than 180 days from the due date or earlier if the credit risk for the specific receivable has changed.

The credit quality of the Group's customers is monitored on an ongoing basis. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

The ageing of trade receivables that are past due is given below:

(₹ in crores)

Particulars	As at 31st March, 2024		
	Gross Carrying Amount	Allowance for expected credit loss	Net carrying amount (net of expected credit loss)
Amounts not yet due	701.47	-	701.47
Up to six months overdue	240.41	40.22	200.19
Greater than six months overdue	63.12	63.12	-
	1,005.00	**103.34**	**901.66**

(₹ in crores)

Particulars	As at 31st March, 2023		
	Gross Carrying Amount	Allowance for expected credit loss	Net carrying amount (net of expected credit loss)
Amounts not yet due	1,235.25	-	1,235.25
Up to six months overdue	316.47	-	316.47
Greater than six months overdue	283.14	283.14	-
	1,834.86	**283.14**	**1,551.72**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The Credit risk on mutual fund investments, cash and cash equivalents, and other bank balances are limited as the counterparties are banks and fund houses with high-credit ratings assigned by credit rating agencies.

Of the year end, loans and other financial assets balance, are expected to be realised in the normal course of business and hence, are not considered impaired as at 31 March 2024 and 31 March 2023 except mentioned in respective notes.

- **Liquidity risk**

Liquidity risk is that the Group might be unable to meet its obligations. Liquidity risk arises from mismatch in maturity profile of receipts and payments, funds locked in excess inventories etc.

The liquidity risks are dynamically managed through efficient scheduling of receipts and payments. Liquidity risks arising from excess inventory are managed through a mix of efficient supply chain management and just-in-time production schedules.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual undiscounted payments:

(₹ in crores)

Particulars	As at 31st March, 2024				
	< 1 Years	1-2 Years	2-5 Years	> 5 Years	Total
Borrowings	4.88	1,001.06	14,749.05	20,498.90	36,253.89
Interest Payout	5,563.96	4,651.51	9,685.59	3,899.80	23,800.86
Trade Payables	6,329.64	-	-	-	6,329.64
Buyers' credit/Vendor Financing	2,921.07	-	-	-	2,921.07
Lease Liability	277.03	554.26	821.61	1,101.58	2,754.48
Other Financial Liabilities	4,420.72	252.14	756.42	945.52	6,374.80
Derivative Financial Liability	21.56	-	-	-	21.56
Total	**19,538.86**	**6,458.97**	**26,012.67**	**26,445.80**	**78,456.30**

(₹ in crores)

Particulars	As at 31st March, 2023				
	< 1 Years	1-2 Years	2-5 Years	> 5 Years	Total
Borrowings	1.25	2,004.88	6,002.17	20,436.47	28,444.77
Interest Payout	3,950.84	3,366.42	7,549.93	5,392.62	20,259.81
Trade Payables	6,318.30	-	-	-	6,318.30
Buyers' credit/Vendor Financing	2,353.83	-	-	-	2,353.83
Lease Liability	258.99	586.76	399.81	971.42	2,216.98
Other Financial Liabilities	3,419.28	252.14	756.42	1,197.66	5,625.50
Derivative Financial Liabilities	16.90	-	-	-	16.90
Total	**16,319.39**	**6,210.20**	**14,708.33**	**27,998.17**	**65,236.09**

- **Market risk**

The Group is exposed to Financial Market risks in its operations on account of:

- Foreign currency risk
- Interest rate risk
- Price Risk- Commodity and others

The Board has put in place detailed Market Risk Management Policy (RMP) documents and the market risks are managed by various functionaries in terms of these Policy documents. The same policy is followed during the year.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

- Foreign Currency risk

The Group is exposed to foreign currency risk arising from export sales, operating and capital expenditure in foreign currency, foreign currency loans and economic exposure on account of mismatch between foreign currency and INR assets and liabilities. The risk is measured through a forecast of highly probable foreign currency cash flows.

The Group enters into hedging transactions mainly to hedge the significant foreign currency risks from concluded and committed export sales, operating and capital expenditures and the foreign currency borrowings.

The Group is mainly exposed to exchange risk from foreign currencies - USD & EUR. On the Capex project imports, the Company has some exposure to other currencies like JPY, CHF etc.

(a) The Group's exposure to foreign currency risk is as follows:

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	USD	EUR	AED	Others	Total	USD	EUR	AED	Others	Total
Trade Receivables	328.43	36.31	-	-	364.74	470.27	35.16	-	-	505.43
Cash and Bank balances	223.93	-	-	-	223.93	236.65	-	-	-	236.65
Other Financial Assets	0.63	0.14	0.01	0.13	0.91	9.01	0.68	-	-	9.69
Financial Assets	552.99	36.45	0.01	0.13	589.58	715.93	35.84	-	-	751.77
Net Exposure to Foreign Currency risk on Financial Assets	552.99	36.45	0.01	0.13	589.58	715.93	35.84	-	-	751.77
Borrowings	12,295.74	-	-	-	12,295.74	4,446.04	-	-	-	4,446.04
Lease Liabilities	-	-	-	-	-	3.74	-	-	-	3.74
Trade Payables	578.25	41.03	43.55	17.68	680.51	2,353.83	-	-	-	2,353.83
Buyer's Credit	2,168.37	39.50		-	2,207.87	1,189.53	4.70	-	0.19	1,194.42
Creditors for Capital Expenditures	62.15	371.17	-	88.61	521.93	19.94	40.77	-	2.04	62.75
Financial Liabilities	15,104.51	451.70	43.55	106.29	15,706.05	8,013.08	45.47	-	2.23	8,060.78
Covered by Derivative Contracts	298.36	-		-	298.36	1,830.47	-	-	-	1,830.47
Net Exposure to Foreign Currency risk on Financial Liabilities	14,806.15	451.70	43.55	106.29	15,407.69	6,182.61	45.47	-	2.23	6,230.31

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on Other Comprehensive Income arises from application of hedge accounting on certain derivative contracts. The below sensitivity has been performed/computed on Net exposure.

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	On Profit before tax	On Equity	On Profit before tax	On Equity
USD sensitivity				
Increase by 5%	(712.66)	(533.30)	(273.15)	(204.40)
Decrease by 5%	712.66	533.30	273.15	204.40
EUR sensitivity				
Increase by 5%	(20.76)	(15.54)	(0.48)	(0.36)
Decrease by 5%	20.76	15.54	0.48	0.36
AED sensitivity				
Increase by 5%	(2.18)	(1.63)	-	-
Decrease by 5%	2.18	1.63	-	-
Others sensitivity				
Increase by 5%	(5.31)	(3.97)	(0.11)	(0.08)
Decrease by 5%	5.31	3.97	0.11	0.08

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(a) **Floating Interest rate risk exposure**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Variable Rate Borrowings	12,295.74	4,436.47
Total Exposure	**12,295.74**	**4,436.47**

(b) **Sensitivity**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Impact on Group's Profit/ (Loss) before tax, if interest rates had been 50 basis points higher/lower and all other variables were held constant.	61.48 (61.48)	22.18 (22.18)

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

Given the portfolio of investments in debt mutual funds, the Group has exposure to interest rate risk with respect to returns realised. It is estimated that an increase in 50 bps change in short term interest rates would result in a loss of approximately 5.01 crores (31st March, 2023: 3.90 crores) whereas a decrease in 50 bps change in short term interest rates would result in a profit of approximately 5.01 crores (31st March, 2023: 3.90 crores). This estimate is based on key assumption with respect to seamless transition of rates across debt instruments in the market and also basis the duration of debt instruments in turn held by mutual funds that the Group has invested in.

- **Price risk**

Commodity price risk

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

The Company faces fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31st March 2024.

The Company also bought Natural Gas from various suppliers under long term supply contracts, for use in DRI route of iron making and also for power generation during FY23-24. Most of the gas exposure was hedged for price risk and resulted in cost savings through lower 'cost of material', as the actual market prices were much higher than the hedged prices.

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

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity swaps (fixed rate forward contracts).

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

During FY23-24, the Company has undertaken Natural Gas hedging deals where pricing is linked to benchmarks like ICE Brent, JKM, TTF against contracted commercial exposure up to a tenor of calendar year 2030 (Highly probable exposure). The Company has also undertaken Coal hedging where pricing is linked to API4 Richard Bay South Africa Coal index.

(A) Fair Value of Forward / Derivatives held by the company

(₹ in crores)

Sr No.	Particulars	As at 31st March, 2024		As at 31st March, 2023	
		Assets	Liabilities	Assets	Liabilities
1	Foreign Currency forward contracts	19.77	16.01	10.34	16.90
2	Commodity Derivative Contracts	1,798.51	5.55	4,334.72	-

(B) Notional value of outstanding Forward / Derivatives held

(₹ in crores)

		As at March 2024	As at March 2023
1	Foreign Currency forward contracts	3,276.01	3,897.84
2	Commodity Derivative Contracts	10,446.39	13,369.45

Other price risk

The Group's exposure to price risks from investments in equity shares is considered immaterial.

42 Capital Management

The company is an integrated steel producer and is in a capital-intensive industry. The Company has taken over strategic assets in sectors such as power, ports, mines etc., as opportunity arises through internal accruals, equity infused and borrowings from holding company.

The Group's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and other loans from holding Group.

The Group continuously monitors its capital structure using gearing ratio which is net debt divided by total equity. Net debt includes interest-bearing borrowings and lease liabilities less Cash and cash Equivalents, Other Bank Balances and current investments.

Gearing ratio information:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Borrowings (Refer Note 21 and 26)		43,200.52		36,161.65
Lease Liability (Refer Note 50(b))		1,714.18		1,544.94
Total Borrowings		**44,914.70**		**37,706.59**
Less: Cash & Cash Equivalents, Other Bank Balances (Including non current deposits with Bank)	7,912.66		6,197.37	
Current Investments [Refer 8(b)]	2,217.94		1,199.17	
		10,130.60		7,396.54
Net Debt (A)		**34,784.10**		**30,310.05**
Total Equity (B)		**44,208.67**		**40,976.12**
Gearing Ratio = (A/B)		**0.79**		**0.74**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

43 Segment Information

AM/NS India is a large Steel conglomerate with operations at various locations in India, which include the manufacturing of pellet and steel products. The Company has invested significantly in Ports, Power and Shipping infrastructure at Hazira, Paradip and Vizag, which is mainly utilized for and to support steel and pellet manufacturing facilities at these respective locations. The management reviews the performance of the Company considering these assets as part of Steel business as a single operating segment.

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 (Refer Note 31)

(₹ in crores)

Geographical Information	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Domestic	Export*	Total	Domestic	Export	Total
Revenues (Income from operation)	45,719.00	13,868.91	59,587.91	46,397.00	9,242.36	55,639.36

Revenue from none of the customer exceeds 10% of total revenue of the company.

(b) Details of non-current operating assets other than financial instruments of the Company:

(₹ in crores)

Geographical Information	Year ended 31st March, 2024			Year ended 31st March, 2023		
	India	Outside India	Total	India	Outside India	Total
Non Current Assets	76,117.51	318.37	76,435.88	64,540.94	336.94	64,877.88

(c) Information regarding product is given in Note 31.

(d) All non-current assets, other than financial assets and Income / Deferred Tax assets have been allocated on the basis of their physical location.

It includes gain on settlement of derivative instruments of ₹ 4,983.05 crores.

44 Derivative Instruments

Foreign exchange forward contracts

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.

Details of notional value of foreign exchange forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Forward purchase contracts (USD / INR)	447.27	3,495.99
Forward purchase contracts (USD/JPY)	205.30	-
Forward purchase contracts (EUR / USD)	2,623.44	401.85
Total	**3,276.01**	**3,897.84**

The fair value of the Company's foreign exchange forward contracts position recorded under financial assets and financial liabilities are as follows:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Forex Forward Cover	19.77	16.01	10.34	16.90

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Cash Flow Hedges: The Company enters into commodity forward contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognised in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss. These hedges have been effective for the year ended 31st March, 2024 and 31st March, 2023.

Details of notional value of commodity forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Commodity forward contracts - Buy (Natural Gas)	9,974.82	10,419.14
Commodity forward contracts - Sell (Natural Gas)	188.84	2,950.31
Commodity forward contracts - Buy (Coal)	282.73	-
Total	**10,446.39**	**13,369.45**

The fair value of the Company's Commodity contracts position recorded under financial assets and financial liabilities are as follows:

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Commodity Contracts	1,798.51	5.55	4,334.72	-

45 Other Information

i. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii. The Group does not have any material transactions/balances with companies struck off under section under section 248 of Companies Act, 2013.

iii. The Group has not traded or invested in Crypto currency or Virtual Currency during the year and previous year.

iv. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Except below investment,

On 3rd May, 2023, the Company has invested ₹ 899.73 crores in AM Mining India Private Limited (CIN U13209DL2019PTC356902) (fellow subsidiary of the Company). The Company has complied with the requisite provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 in relation to such investments and the said transaction is not in violation of provisions of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Out of the above 897 crores has been further invested by AM Mining India Private Limited in AMNS Gandhidham Limited (formerly known as Indian Steel Corporation Limited) (CIN U27100GJ2004PLC152290) (fellow subsidiary of the Company and subsidiary of AM Mining India Private Limited) on 6th May, 2023.

Registered office of AM Mining India Private Limited is A-74 Nizamuddin East, New Delhi, South Delhi DL 110013 and registered office of AMNS Gandhidham Limited is 6th and 7th Floor, Raheja Towers, Plot C 30, Block G,Bandra Kurla Complex,Bandra (East) Mumbai – 400 051.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

v. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

vii. The Group have not been declared as wilful defaulter by any bank, financial institutions or other lender.

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

ix. The Group is maintaining its books of account in electronic mode and these books of account are accessible in India at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Companies (Accounts) Rules, 2014, i.e. 5th August, 2022 onwards.

x. The Company has availed Working Capital facilities / Capex LC facilities from various banks during the year on an unsecured basis i.e. without any security on current assets of the Company and there is no requirement to submit quarterly statements (DP statement, Stock statement). For facilities which are lien on bank deposits, no quarterly statements are required to be submitted in that regards.

xi. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

xii. There is no Core Investment Company as a part of the Group.

xiii. Pursuant to the provisions of Composite Scheme of Arrangement, which was approved by the Hon'ble National Company Law Tribunal Ahmedabad bench (NCLT), on 15th March, 2023 the company has been converted into a private limited company consequently, provision of section 177 concerning audit committee will not be applicable. The Company is taking necessary steps under the Companies Act, 2013 to give effect in this regard. Fresh Certification of incorporation from the Ministry of Corporate Affairs is awaited.

xiv. The Holding Company, and its subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act ('Entities in India'), have used accounting software for maintaining their respective books of account which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software, except that –

   (A) As regards the Holding Company and in respect of one subsidiary, the audit trail feature is not enabled for direct changes to database by certain users.

   (B) As regards the 3 subsidiaries which are companies incorporated in India, certain features of audit trail of accounting software, the logs of changes made to these feature of the audit trail are not available throughout the year as the profile parameter for logging of table changes is inactive. Further, the audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the said accounting software and its underlying database.

   The respective entities are in the process to ensure compliance with requirements of the recently issued Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised) by the Institute of Chartered Accounts of India. Further, to the extent the audit trail feature for the application and periods for which audit trail feature was enabled and operated by Entities in India, there were no instances of such audit trail feature being tampered with.

xv. There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

46. Related Party disclosures:

(A) List of related parties and relationships

(a) Holding Companies

1 AMNS Luxembourg Holding S.A – Ultimate Holding Company
2 Oakey Holding B.V - Holding Company (Refer note 54)

(b) Fellow Subsidiaries (with whom the transaction have taken place)

1 AMNS Shared Services Limited (w.e.f. 25.10.2023)
2 AM Mining India Private Limited
3 AMNS Khopoli Limited (w.e.f. 10.11.2022)
4 AMNS Gandhidham Limited (w.e.f. 06.05.2023)
5 Texturing Technology Private Limited (w.e.f. 10.11.2022)
6 Uttam Galva Holdings Limited (w.e.f. 10.11.2022)

(c) Associates (with whom the transaction have taken place)

1 Essar Steel Processing FZCO
2 AM Green Energy Private Limited (w.e.f 22.08.2022)
3 New Age Education and Skills Foundation (w.e.f 17.01.2023)

(d) Other Related Parties (with whom the transactions have taken place)

1 AFS Sedan
2 ArcelorMittal Design and Engineering Centre Pvt Ltd
3 ArcelorMittal DSTC FZCO
4 Arcelormittal Espana, S.A.
5 ArcelorMittal Europe SA
6 ArcelorMittal Exports Dmcc
7 Arcelormittal France
8 ArcelorMittal International Luxembourg SA
9 ArcelorMittal Neel Tailored Blanks Private Ltd.
10 ArcelorMittal Projects India
11 Arcelormittal SA
12 ArcelorMittal Shipping Limited
13 ArcelorMittal Singapore Private Limited
14 ArcelorMittal Sourcing SCA
15 ArcelorMittal Ventures India Private Limited
16 Arcelormittal China Co Ltd
17 Disteel
18 Ice Steel 1 Private Limited
19 Gestamp Automotive India Private Limited
20 Global Chartering Limited
21 Nippon Steel India Private Limited
22 Nippon Steel Pipe India Private Limited
23 Nippon Steel Rolls Corporation
24 Nippon Steel Trading Corporation
25 TRL Krosaki Refractories Limited
26 Umang Shipping Limited
27 Nippon Steel Engineering India Private Limited
28 Nippon Steel Engineering Co. Ltd.
29 ArcelorMittal Construction India Private Limited

(e) Key Management Personnel

1 Mr. Dilip Oommen, Director and CEO#
2 Mr. Tomomitsu Inada, Director & Vice President Technology #
3 Mr. Amit Harlalka, Chief Financial Officer #
4 Mr. Pankaj S Chourasia, Company Secretary
5 Mrs. Neelam Thanvi, Company Secretary
6 Ms. Laxmi Joshi, Company Secretary
7 Mr. Karamath Hammeedullah Syed, Director

 # No transaction were entered with these related parties during the current and previous year.

Terms and conditions

Sales/Purchases:

The related party transactions are undertaken at arm's length pricing.

Loan Given:

The Company had given Loans to related parties for general corporate purposes.These Loans are unsecured, carry an interest rate ranging from 3.5% to 12% and receivable as per agreed terms.

Loan taken :

The Company had taken certain loans from related parties. The interest rates on loans are subject to a benchmarking study as per the underlying agreement and applicable regulations (Refer Note 58).

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(B) During the year, following transactions were carried out with the related parties in the ordinary course of business:

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(a)	**Revenue from Operations**					
	AMNS Khopoli Limited	-	3,216.63	-	-	-
		-	(581.98)	-	-	-
	ArcelorMittal International Luxembourg SA	-	-	754.82	-	-
		-	-	(239.34)	-	-
	Others	-	14.44	250.30	80.81	-
		-	-	(492.61)	(20.36)	-
	Total	**-**	**3,231.07**	**1,005.12**	**80.81**	**-**
		-	**(581.98)**	**(731.95)**	**(20.36)**	**-**
(b)	**Sales of Property, Plant and Equipment & Capital Work-in-Progress**					
	AMNS Gandhidham Limited	-	0.85	-	-	-
		-	-	-	-	-
	Others	-	-	-	-	-
		-	(0.90)	-	-	-
	Total	**-**	**0.85**	**-**	**-**	**-**
		-	**(0.90)**	**-**	**-**	**-**
(c)	**Purchase of Goods**					
·	Arcelor Mittal Singapore Limited	-	-	541.85	-	-
		-	-	(229.05)	-	-
	Nippon Steel Trading Corporation	-	-	1,290.30	-	-
		-	-	(890.15)	-	-
	Others	-	148.16	245.57	-	-
		-	(0.04)	(517.65)	-	-
	Total	**-**	**148.16**	**2,077.72**	**-**	**-**
		-	**(0.04)**	**(1,636.84)**	**-**	**-**
(d)	**Purchase of Services**					
	Umang Shipping Limited	-	-	522.38	-	-
		-	-	(346.80)	-	-
	AMNS Gandhidham Limited	-	560.15	-	-	-
		-	-	-	-	-
	Others	-	46.54	182.95	-	-
		-	(251.10)	(217.61)	-	-
	Total	**-**	**606.69**	**705.33**	**-**	**-**
		-	**(251.10)**	**(564.42)**	**-**	**-**
(e)	**Interest / Dividend Income**					
	AM Mining India Private Limited	-	18.17	-	-	-
		-	-	-	-	-
	Total	**-**	**18.17**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
(f)	**Interest Expenses**					
	AMNS Luxembourg Holding S.A	713.17	-	-	-	-
		(243.84)	-	-	-	-
	Oakey Holding B.V	2,428.35	-	-	-	-
		(2,281.35)	-	-	-	-

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for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
	Others	-	-	-	-	-
		-	-	-	-	-
	Total	**3,141.52**	**-**	**-**	**-**	**-**
		(2,525.49)	**-**	**-**	**-**	**-**
(g)	**Miscellaneous Income**					
	AMNS Gandhidham Limited	-	1.40	-	-	-
		-	-	-	-	-
	Amns Khopoli Limited	-	10.95	-	-	-
		-	(0.64)	-	-	-
	Others	-	0.03	0.29		
		-	(12.78)	(0.14)	-	-
	Total	**-**	**12.38**	**0.29**	**-**	**-**
		-	**(13.42)**	**(0.14)**	**-**	**-**
(h)	**Remuneration & perquisites**					
	Mr. Pankaj S Chourasia	-	-	-	-	0.69
		-	-	-	-	(0.73)
	Mrs. Neelam Thanvi	-	-	-	-	0.45
		-	-	-	-	(0.45)
	Mr. Karamath Hammeedullah Syed	-	-	-	-	2.26
		-	-	-	-	(2.15)
	Others	-	-	-	-	0.33
		-	-	-	-	(0.12)
	Total	**-**	**-**	**-**	**-**	**3.72**
		-	**-**	**-**	**-**	**(3.45)**
(i)	**Purchase of Capital Goods**					
	Nippon Steel Engineering India Private Limited	-	-	47.44	-	-
		-	-	-	-	-
	Nippon Steel Engineering Co. Ltd.	-	-	26.02	-	-
		-	-	-	-	-
	Others	-	-	4.31	-	-
		-	-	(40.74)	-	-
	Total		**-**	**77.76**	**-**	**-**
			-	**(40.74)**	**-**	**-**
(j)	**Miscellaneous Expenses**					
	Umang Shipping Limited	-	-	2.63	-	-
		-	-	(0.12)	-	-
	Others	-	-	0.14	-	-
		-	(0.00)	(0.00)	-	-
	Total	**-**	**-**	**2.76**	**-**	**-**
		-	**(0.00)**	**(0.13)**	**-**	**-**
(k)	**Investments made**					
	AM Mining India Private Limited	-	899.73	-	-	-
		-	(4,060.00)	-	-	-
	Others	-	-	-	13.00	-
		-	-	-	(39.00)	-
	Total	**-**	**899.73**	**-**	**13.00**	**-**
		-	**(4,060.00)**	**-**	**(39.00)**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(l)	**Investment Sold**					
	Oakey Holding B.V	3.72	-	-	-	-
		-	-	-	-	-
	Total	**3.72**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
(m)	**Balances written back**					
	AMNS Shared Services Limited	-	7.73	-	-	-
		-	-	-	-	-
	Total	**-**	**7.73**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
(n)	**Loans given**					
	AM Mining India Private Limited	-	220.00	-	-	-
		-	(20.00)	-	-	-
	Total	**-**	**220.00**	**-**	**-**	**-**
		-	**(20.00)**	**-**	**-**	**-**
(o)	**Loans repaid**					
	AM Mining India Private Limited	-	105.00	-	-	-
		-	-	-	-	-
	Total	**-**	**105.00**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
(p)	**Grant given**					
	New Age Education and Skills Foundation	-	-	-	219.41	-
		-	-	-	(7.10)	-
	Others	-	-	9.20	-	-
		-	-	-	-	-
	Total	**-**	**-**	**9.20**	**219.41**	**-**
		-	**-**	**-**	**(7.10)**	**-**
(q)	**Loan Taken**					
	AMNS Luxembourg Holding S.A	7,695.41	-	-	-	-
		-	-	-	-	-
	Total	**7,695.41**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
(r)	**External Commercial Borrowings repaid**					
	AMNS Luxembourg Holding S.A	-	-	-	-	-
		(328.25)	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**
		(328.25)	**-**	**-**	**-**	**-**
(s)	**Reimbursement of Expenses**					
	Arcelormittal SA	-	-	20.91	-	-
		-	-	-	-	-
	Others	-	-	0.01	-	-
		-	-	(3.09)	-	-
	Total	**-**	**-**	**20.92**	**-**	**-**
		-	**-**	**(3.09)**	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(t)	**Recovery of Expenses**					
	Ice Steel 1 Private Limited	-	-	0.12	-	-
		-	-	(0.14)	-	-
	Amns Khopoli Limited	-	0.03	-	-	-
		-	-	-	-	-
	Essar Steel Processing FZCO	-	-	-	0.03	-
		-	-	-	-	-
	Others	-	-	-	-	-
		-	-	(0.13)	-	-
	Total	**-**	**0.03**	**0.12**	**0.03**	**-**
		-	**-**	**(0.27)**	**-**	**-**

**Compensation of Key Management Personnel of the Company:*

Nature of Transaction	2023-24	2022-23
Short-term employee benefits	3.17	3.05
Post-employee benefits	0.54	0.40
Total**	**3.71**	**3.45**

*** Remuneration does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.*

(C) Balance outstanding at year end:

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Associate	Other Related Parties
(a)	**Investments**				
	AM Mining India Limited	-	7,329.73	-	-
		-	(6,430.00)	-	-
	Others	-	-	52.26	-
		-	-	(39.24)	-
	Total	**-**	**7,329.73**	**52.26**	**-**
		-	**(6,430.00)**	**(39.24)**	**-**
(b)	**Trade Receivables**				
	ArcelorMittal International Luxembourg SA	-	-	-	109.96
		-	-	-	(39.01)
	AMNS Khopoli Limited	-	73.42	-	-
		-	(484.15)	-	-
	Others	-	1.66	-	10.96
		-	(0.03)	(0.32)	(9.23)
	Total	**-**	**75.08**	**-**	**120.92**
		-	**(484.18)**	**(0.32)**	**(48.24)**
(c)	**Other Advance/Receivables**				
	AM Mining India Limited	-	29.36	-	-
		-	(13.05)	-	-
	Nippon Steel Engineering India Private Limited	-	-	-	58.05
		-	-	-	(34.63)
	Nippon Steel Engineering Co. Ltd.	-	-	-	13.08
		-	-	-	(9.65)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Sr. No.	Particulars	Holding Companies	Fellow Subsidiaries	Associate	Other Related Parties
	Others	-	-	-	7.70
		-	-	-	-
	Total	**-**	**29.36**	**-**	**78.83**
		-	**(13.05)**	**-**	**(44.28)**
(d)	**Trade and other payables**				
	Nippon Steel Trading Corporation	-	-	-	443.45
		-	-	-	-
	AMNS Gandhidham Limited	-	200.40	-	-
		-	-	-	-
	Others	-	9.46	-	132.94
		-	(15.51)	-	(46.59)
	Total	**-**	**209.86**	**-**	**576.39**
		-	**(15.51)**	**-**	**(46.59)**
(e)	**Advance From Customers**				
	Nippon Steel Pipe India Private Limited	-	-	-	0.07
		-	-	-	-
	ArcelorMittal Construction India Private Limited	-	-	-	0.52
		-	-	-	-
	Others	-	0.00	-	0.12
		-	-	-	(0.79)
	Total	**-**	**0.00**	**-**	**0.71**
		-	**-**	**-**	**(0.79)**
(f)	**Loans Given**				
	AM Mining India Limited	-	283.32	-	-
		-	(168.31)	-	-
	Total	**-**	**283.32**	**-**	**-**
		-	**(168.31)**	**-**	**-**
(g)	**Bonds (incl. interest)**				
	Oakey Holding BV	39,897.71	-	-	-
		(29,161.64)	-	-	-
	Total	**30,897.71**	**-**	**-**	**-**
		(29,161.64)	**-**	**-**	**-**
(h)	**External Commercial Borrowings (incl interest)**				
	AMNS Luxembourg Holding S.A	12,295.74	-	-	-
		(4,446.04)	-	-	-
	Total	**12,295.74**	**-**	**-**	**-**
		(4,446.04)	**-**	**-**	**-**
(i)	**Capital contribution**				
	Oakey Holding BV	272.46	-	-	-
		(272.46)	-	-	-
	AMNS Luxembourg Holding S.A	1,725.25	-	-	-
		(1,725.25)	-	-	-
	Total	**1,997.71**	**-**	**-**	**-**
		(1,997.71)	**-**	**-**	**-**
(j)	**Provision for doubtful debt/ impairment**				
	Essar Steel Processing FZCO	-	-	0.25	-
		-	-	(0.25)	-
	Total	**-**	**-**	**0.25**	**-**
		-	**-**	**(0.25)**	**-**

Note :

1.) Figures mentioned in bracket are previous year figure.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

47 Contingent Liabilities/Claims against the Group not acknowledged as liabilities - (Not provided for)

(₹ in crores)

		As at 31st March, 2024	As at 31st March, 2023
1	Cross Subsidy[1]	378.03	196.87
2	Income tax matters in Subsidiaries	3.86	4.26
3	Disputed claim in respect of Indirect tax in subsidiaries	40.82	5.47
4	Others	4.50	-

1 The Company was a consumer of Dakshin Gujarat Vij Company Ltd. ("DGVCL") and it was continued to obtain power till year 2012. In year 2013, the Company was connected to the Central Transmission Utility ("CTU") after disconnecting from the State Transmission Utility ("STU") and the power supply agreement with DGVCL was terminated. However, DGVCL has continued to raise demands for Cross Subsidy Surcharge (CSS) upon the Company for its power consumption including on the power procured from its captive power plants. In 2014, the Company filed a Petition before Gujarat Electricity Regulatory Commission (GERC) seeking a declaration that CSS was not payable on power being procured from captive generating plants. Thereafter, in year 2016, the Company filed Petition before the GERC contending that no CSS would be payable to DGVCL, since the Company had disconnected itself from the STU network and was an independent regional entity as approved by the 2013 Central Electricity Regulatory Commission (CERC) Order.

In August 2017, Corporate Insolvency Resolution Process (CIRP) of the Company commenced and AMIPL's Resolution Plan was approved by the Supreme Court (SC) vide its judgment dated 15th November, 2019 and claim of DGVCL got extinguished due to pendency of disputes with regard to these claims. DGVCL had filed a review petition before the SC which was rejected both on delay and merits.

GERC in its order dated 10th July, 2023 held that, the Company is liable to pay CSS for the period post December 2019. For the period prior to 16th December, 2019, the liability towards CSS would be as per the SC Judgement in ESIL CIRP dated 15th November, 2019, the Gujarat High Court judgment dated 24th February, 2023 and the order passed in that proceedings. Further, the Company is at liberty to get a certificate regarding its captive status from the Chief Electrical Inspector, State of Gujarat. The arguments in the review petitions have been concluded on June 3,2024 and written submissions have to be filed.

In parallel, DGVCL had filed Petition no. 186/MP/2021 at CERC in relation to the outstanding CSS amounts for the period post December 2019, alleging continued violation of the 2013 CERC Order by non-payment of cross subsidy surcharge. DGVCL sought recall of the 2013 order granting connectivity to the CTU network and regional entity status.

DGVCL vide its letter dated 25th August, 2023, raised demand of ₹ 5,285.90 Crores as total amount pending CSS as on 10th July, 2023 which includes CSS along with Delay Payment charges up to December 2019 ₹ 3,724.02 Crores and ₹ 1,562.88 Crores from January 20 to June 23.

Further to CERC orders, the Company has remitted an amount of ₹ 129.44 Crores to DGVCL on April 08, 2024 and a further amount of ₹129.44 Crores on June 07, 2024 being 20% of the principal outstanding amount of ₹ 1,294.44 Crores (as claimed by DGVCL and subject to reconciliation on an ad hoc basis) on a strictly without prejudice basis, and in furtherance of its bona fides to arrive at an amicable settlement. The Commission further permitted the parties to explore the amicable settlement of all outstanding issues for the payment of the arrears pertaining to CSS and to place the outcome of the discussions before the next date of hearing.

The Company has started making payment of CSS amount from July 2023 onwards. In the event of a favourable outcome for the Company in its review petition before GERC, DGVCL would not have any right to recover either CSS or any delay payment charges therein. The Company has considered principal amount of CSS other than related to captive power generation amounting to ₹ 1,216.66 Crores from Jan 2020 to June 2023 as 'probable' and has made provision against the same on a without prejudice basis. As per provision of section 38 of Electricity Act, cross subsidy surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying electricity to the destination of its own use. Accordingly, the Company has considered CSS on captive power generation amounting to ₹ 77.78 Crores as remote.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Further based on CERC order, as the Company is exploring amicable settlement of all outstanding issues for the payment of the arrears pertaining to CSS, the Company believes (supported by legal opinion) that it has a fair chance and reasonable possibility of succeeding in this matter including delay payment surcharge, considering which, the Company has classified the delay payment charges as 'Possible' and accordingly disclosed as contingent liabilities in these consolidated financials statements.

2 Right to Use Charges :

ArcelorMittal Nippon Steel India Ltd. formerly known as Essar Steel India Ltd. ("AMNSI/ESIL") and Odisha Slurry Pipeline Infrastructure Ltd. ("OSPIL)(currently known as Utkal Pipeline Infrastructure Limited) entered into a Business Transfer Agreement ("BTA") dated 27th February, 2015 pursuant to which a 253 km slurry pipeline from Dabuna to Paradip ("Slurry Pipeline") was agreed to be transferred from ESIL to OSPIL. ESIL and OSPIL also entered into a Right to Use Agreement ("RTUA") dated 30th March, 2015 granting ESIL the right to use the Slurry Pipeline. Thereafter, pursuant to clarification from RBI, ESIL and OSPIL executed a Deed of Cancellation dated 24th June 2016, to reverse the BTA and the RTUA ("Cancellation Deed"), and consequently recorded back the Pipeline as part of property, plant and equipment of ESIL.

SREI Infrastructure Finance Limited ("SIFL"), being a creditor of OSPIL, filed a civil suit before the Civil Judge (Senior Division) at Sealdah ("Sealdah Court") seeking annulment of the Cancellation Deed, and upon its request for interim relief being rejected by the Sealdah Court, SIFL filed an appeal in Calcutta High Court. The Calcutta High Court on 22th December, 2016 passed an ex-parte order directing status-quo to be maintained with regard to alienation and transfer of the Slurry Pipeline. On 9th January, 2023, the underlying civil suit at Sealdah Court was dismissed. SIFL has filed an application seeking restoration of the suit before the Sealdah Court, which application is currently pending consideration.

Meanwhile, ESIL was admitted into a corporate insolvency resolution process (CIRP) by the National Company Law Tribunal ("NCLT") vide an order dated 2nd August, 2017 ("ESIL CIRP"). The Resolution Plan for ESIL CIRP was approved finally by the Supreme Court on 15th November, 2019 ("ESIL SC Judgment") and pursuant to its implementation, ESIL was acquired and renamed as ArcelorMittal Nippon Steel India Limited viz. AMNSI.

On 5th March, 2020, SIFL, acting as a financial creditor of OSPIL, filed an application before NCLT, Ahmedabad, seeking payment of usage charges of approximately ₹ 1,300 Crores for usage of the Slurry Pipeline to OSPIL during ESIL CIRP period. By an Order of 10th November, 2020, NCLT held usage charges to be payable by ArcelorMittal India Private Limited (AMIPL)/AMNSI as CIRP costs (NCLT Order). Being aggrieved, both, AMIPL (the Resolution Applicant of ESIL and OSPIL) and AMNSI (as erstwhile Corporate Debtor), preferred separate appeals before NCLAT, The NCLAT while admitting both the appeals vide order dated 4th December, 2020 and 8th December, 2020, respectively granted a stay upon the NCLT Order. Any claim arising out of these proceedings, is accordingly, subject to the outcome of said appeals filed by AMIPL and AMNSI and of any subsequent appeals in the matter or settlement, if any. In view of the management, supported by a legal opinion, likelihood of any potential liability of the Company in relation to these usage charges in the pending appeals is remote and there is high probability of success for the Company in the above matter.

3 Gas Supply Agreement:

Consequent to implementation of resolution plan, all claims and liabilities (including claims of governmental authorities in relation to all taxes) whether contingent or crystallized, known or unknown, filed or not against the Company attributable to the period prior to 16th December, 2019 stand extinguished.

During the year, one vendor raised a demand of ₹ 16,129.12 Crores (including interest of ₹ 6,666.99 Crores) pertaining to a contract entered into and terminated in pre-IBC period and filed a petition at HC Delhi, seeking appointment of an arbitrator on behalf of AMNSI. The Delhi HC, declined to refer the matter on the ground that the Resolution Plan was approved, and the same resulted in extinguishment of all claims. The matter was referred to Supreme Court of India (SC) and SC referred the matter to arbitration by a consent order while keeping all the rights and contentions of the parties, including on the question of arbitrability, open. The arbitration Tribunal has been constituted and hearing is scheduled for the same. However, basis the legal opinion obtained by the Company, the Company believes that demand from vendor is remote as the case pertains to pre-IBC period and there is no ''live claim'' that can be decided in arbitration, as they have been covered/extinguished under the Resolution Plan.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

48 Commitments

(₹ in crores)

	Particulars	31st March, 2024	31st March, 2023
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	24,348.34	22,869.49
(b)	Share of commitment in Associates	46.67	38.73

49 Employee Benefits

(i) Defined Contribution Plan

The Group has a defined contribution plan whereby contribution are made to provident fund and ESIC in India for employees at a percentage of Payroll cost as per regulations. Contributions are made to registered fund administered by Government. The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation. Group's contribution to Provident fund and ESIC aggregating to ₹ 35.00 crores (Previous Year : ₹ 28.45 crores) and ₹ 8.58 Crores (Previous Year : ₹ 2.69 crores) are recognised in the statement of profit and loss and capital work in progress respectively.

(ii) Defined Benefit Plan

The Group has a defined benefit Gratuity plan. Every employee who has completed five years or more of service gets a Gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The plan is funded through a Gratuity Scheme administered by a separate fund that is legally separate from the entity.

The following table summarizes the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet :

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Net employee benefit expense recognised in the statement of profit and loss		
Current Service Cost	13.47	12.45
Net Interest/ Expenses	2.33	2.94
Expenses Recognised in the statement of profit and loss	**15.80**	**15.39**
Other Comprehensive Income		
Actuarial (gain)/loss recognised in the year due to liability experience changes	20.13	5.70
Actuarial (gain)/loss recognised due to Financial assumption	4.23	(0.01)
Actuarial (gain)/loss recognised due to Demographic assumption	(0.35)	1.14
Actuarial (gain)/loss arising on the liability during the period	**24.01**	**6.83**
Add: Return on Plan Assets (greater)/less than discount rate	(0.74)	1.04
Actuarial Loss/(Gain) recognised in OCI	**23.27**	**7.87**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance Sheet		
Details of provision		
Defined Benefit Obligation	(216.83)	(182.05)
Fair value of Plan Assets	140.06	122.27
Funded Status [Surplus/(Deficit)]	**(76.77)**	**(59.78)**
Net Defined Benefit Asset/(Liability)	**(76.77)**	**(59.78)**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Changes in the present value of the defined benefit obligation are as follows:		
Projected Benefit Obligations (PBO) at the beginning of the year	182.05	150.27
Service Cost	13.47	12.45
Interest Cost	11.52	10.57
Acquired on Business Combination	-	13.80
Actuarial (gain)/loss on obligations	-	(2.31)
Actuarial (gain)/loss - experience	20.13	5.69
Actuarial (gain)/loss - demographic assumptions	(0.35)	-
Actuarial (gain)/loss - financial assumptions	4.23	1.13
Benefits paid	(14.22)	(9.55)
PBO at the end of the year	**216.83**	**182.05**

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Changes in the fair value of plan assets are as follows:		
Fair Value of plan assets at the beginning of the year	122.27	100.15
Acquired on Business Combination	-	10.26
Acquisition adjustment	-	(1.02)
Interest income on plan assets	9.19	7.63
Contributions/Transfers	15.52	13.25
Benefits paid	(7.66)	(7.64)
Return on plan assets greater/(less) than discount rate	0.74	(0.36)
Fair Value of plan assets at the end of the year	**140.06**	**122.27**

The Group expects to contribute ₹ 17.40 crores (Previous Year : ₹ 15.65 crores) to its gratuity plan for the next year.

Expected benefits payment for the year ending		
Less than 1 year	35.22	15.65
Between 2 to 5 years	179.71	71.01
Over 5 years	272.13	106.75
Weighted Average duration of the defined benefit obligation	8 years	8 years
Investment details of plan assets		
Plan assets comprise of Schemes of Insurance - Conventional products. The above plan assets have been invested in the qualified insurance policies.		

Sensitivity analysis for Defined Benefit Plan

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Sensitivity Analysis - Impact on DBO- Gratuity

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis - Impact on DBO- Gratuity				
Discount Rate (0.5% movement)	(4.82)	5.13	(7.96)	7.91
Salary Escalation Rate (0.5% movement)	3.21	(3.20)	5.79	(5.38)
Withdrawal Rate (3% movement)	(0.18)	(0.09)	(0.64)	0.38
Defined Benefit Cost				
Assumptions				
Discount rate		7%-7.10%		7%-7.5%
Salary escalation rate		9%-9.50%		9%-9.50%
Withdrawal rate		8.50%		9.50%
Mortality	Indian Assured Lives Mortality (2006 - 08) Ult. Modified			

Net Asset/(Liability) recognised in Balance Sheet

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Gratuity (Liability)	-	(78.18)	-	(61.14)
Gratuity (Asset)	-	1.41	-	1.36

There are no other post retirement benefits provided by the Group.

The Group is exposed to the following Risks in the defined benefits plans :

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by increase in the return on the plan's debt investments.

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

Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan's liability.

b) Other long term benefits:

Compensated Absences

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

(₹ in crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Compensated Absences	(5.15)	(34.75)	(4.22)	(22.78)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

50 Leases

The leases are used in ordinary course of business and includes office space, lease-hold land and plant & machinery with lease term between 3 to 99 years.

a) Following are the changes in the carrying value of right of use assets for the year ended 31st March, 2024:

(₹ in crores)

Particulars	Land	Buildings	Plant & Machinery	Total
Opening Balance as on 1st April 2023	383.17	52.56	1,247.34	1,683.07
Additions	402.14	19.11	-	421.25
Deletions	-	(4.45)	-	(4.45)
Depreciation	(7.33)	(17.01)	(142.63)	(166.97)
Closing Balance as on 31st March 2024	**777.98**	**50.21**	**1,104.71**	**1,932.90**

(₹ in crores)

Particulars	Land	Buildings	Plant & Machinery	Total
Opening Balance as on 1st April 2022	379.96	52.00	2,190.59	2,622.55
Additions	9.42	15.29	496.02	520.73
Deletions	-	-	(1,130.31)	(1,130.31)
Depreciation	(6.21)	(14.73)	(308.96)	(329.90)
Closing Balance as on 31st March 2023	**383.17**	**52.56**	**1,247.34**	**1,683.07**

b) The following is the movement in lease liabilities:

(₹ in crores)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening Balance	1,544.94	2,603.53
Additions	306.86	511.13
Finance cost accrued during the period	116.01	170.08
Deletions	(5.52)	(1,184.31)
Principal Payment of lease liabilities	(132.10)	(384.38)
Interest Payment of lease liabilities	(116.01)	(171.11)
Closing Balance	**1,714.18**	**1,544.94**
Lease Liability - Current	172.67	156.21
Lease Liability - Non Current	1,541.51	1,388.73
Closing Balance	**1,714.18**	**1,544.94**

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

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Less than one year	277.03	258.99
One to five years	1,375.87	986.57
More than five years	1,101.58	971.42
Total	**2,754.48**	**2,216.98**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

d) **Amount recognised in Statement of Profit and Loss on account of lease:**

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Short term Leases and Low Value Leases	71.45	62.80
Interest expense on lease liabilities	116.01	171.11
Depreciation expense of right-of-use assets	166.97	329.90
Total	**354.43**	**563.81**

e) The Group had total cash outflows for leases of ₹ 248.11 crores for the year 31st March, 2024 (₹ 555.49 crores for the year 31st March, 2023).

f) The maturity analysis of lease liabilities are disclosed in Note 41 -Liquidity Risk Management

g) The effective interest rate for lease liabilities ranges from 7.3% to 12% with maturity between 2024-2113.

51 Earnings Per Share

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Profit attributable to Equity Shareholders	7,323.54	2,698.04
Weighted average number of shares for the purpose of calculating basic and diluted earning per share (in nos.) (Refer Note 19 for No. of shares)	25,041,306,142	25,041,306,142
Basic and diluted earnings per Equity share of ₹ 10 each (in Rupees)	2.92	1.08

52 Exceptional Items

(₹ in crores)

Sr. No.	Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
1	Write off of Loan receivables (Refer Note 54)	-	588.40
2	Provision for Disputed Claims[1]	-	546.84
3	Reversal of Impairment on assets[2]	-	(482.83)
		-	**652.41**

1 During the previous year, read with Note 47(1),the Company made provision in relation to disputed claims taking into consideration the subsequent order issued by the authorities, which were disclosed as contingent liability in the earlier years. These provision were made without prejudice on the basis of legal opinion obtained and the Company believes it has reasonable grounds to continue to defend its position with authorities.

2 Considering the change in internal and external indicators, the Company reassessed the impairment of land, accounted in past years, with assistance of independent valuation expert and acceptable market valuation principles. This resulted in reversal of impairment loss in the previous year of ₹ 482.83 crores. The Company believes such reversals are not in the regular course of operations and thus was accounted and disclosed as exceptional item in Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

53 Pursuant to the Composite Scheme of Arrangement among ArcelorMittal India Private Limited (Transferor Company/ Amalgamating company/AMIPL) and AM Associates India Private Limited (Transferee Company/AMAIPL) and ArcelorMittal Nippon Steel India Limited (Amalgamated Company/AMNSIL) under Sections 230-232 and other applicable provisions of the Companies Act, 2013 which was approved by the Hon'ble National Company Law Tribunal Ahmedabad bench, (NCLT) vide order dated 15th March, 2023, which provides for the transfer and vesting of the transferred undertaking (as defined in the said Scheme) of AMIPL to AMAIPL, reduction of equity share capital of AMIPL and upon the aforesaid steps having been undertaken, the amalgamation of AMIPL (comprising of residual business undertaking as defined under Schedule - A of the said Scheme) into AMNSIL. The Scheme is deemed to be operative from Appointed date viz 16th December, 2019. The Reserve Bank of India (RBI) approval on the said scheme was received by the Company on 10th May, 2023. The scheme has become effective with effect from 3rd August, 2023 on last filling of order with registrar of companies by AM Associates.

The accounting effect of the scheme is given effect in the Consolidated financial statements for the year ended March 31, 2023.

Basis the merger order received by the Company in relation to AMIPL merger with the Company, AMIPL shall cease to exist subsequent to merger. However as at March 31, 2024, the Company is awaiting transfer approval of Thakurani mines and following up with the authorities i.e. Office of the Collector & District Magistrate, Keonjhar, Odisha, Office of the Sub Registrar, Barbil and other relevant authorities as required ("the authorities"). The company is in process to get related assets/liabilities in its name.

Further, in relation to merger of AMIPL and the Company, the Company has received demand for stamp duty of ₹ 36.92 crores. This demand has been disputed by the Company and the Company has filed an appeal before the Chief Controlling Revenue Authority, Gandhinagar by depositing an amount of ₹ 9.21 crores under protest. Based on best management estimates, a provision of ₹ 25 crores has been made and demand for balance ₹ 11.92 crores is considered not tenable and hence, remote.

54 Pursuant to Supreme Court Order, ArcelorMittal India Private Limited ("AMIPL")(amalgamated with ArcelorMittal Nippon Steel India Limited pursuant to scheme of arrangement as per Note 53) has acquired loans from consortium of lenders of AMNS Khopoli Limited (formerly Uttam Galva Steels Limited "AMNSK") for consideration of ₹ 4,922.30 crores on an "as is where is", "as is what is" and without recourse basis vide assignment agreement dated 17th October, 2018.

AMIPL had initially recognized financial asset receivables from AMNSK at a fair value of ₹ 5,284.93 crores (including inter-corporate deposits of ₹ 362.63 crores to AMNSK) and had subsequently recorded impairment of ₹ 693.30 crores up to 31st March, 2021.

As on 31st March, 2022 amount of ₹ 3,000.20 crores receivable from AMNSK was determined based on the resolution plan for AMNSK and approved by committee of creditors of AMNSK ("AMNSK Resolution Plan"). This resulted in additional impairment of ₹ 1,591.43 crores which was treated as an exceptional item in profit and loss account for the year ended 31st March, 2022. Further ₹ 588.40 crores was finally impaired on the basis of actual amount received amounting to ₹ 2,411.80 crores as per AMNSK Resolution Plan. Same was disclosed as an exceptional item in profit and loss account for the year ended 31st March, 2023.

55 The Group has a 26% interest in AM Green Energy Private Limited (AMGEPL), which is involved in the business of development of renewable energy business including evacuation of electricity. Group's interest in AMGEPL is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in AMGEPL:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current assets	5,804.77	547.25
Current assets	796.33	892.07
Non-current liabilities	(4,767.62)	(1,011.38)
Current liabilities	(877.50)	(278.97)
Equity	**955.98**	**148.97**
Group's Share in equity-26%	**248.56**	**38.73**
Group's carrying amount of the investment	**248.56**	**38.73**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Revenue from contracts with customers	4.03	8.24
Finance cost	0.21	0.12
Depreciation and amortization expense	1.52	0.64
Other Expenses	16.95	7.94
Profit & Loss before Tax	**(14.65)**	**(0.46)**
Tax Expenses	-	0.58
Profit & Loss for the year	**(14.65)**	**(1.04)**
Group's share of profit for the year	**(3.81)**	**(0.27)**

Further the Group has a 40% interest in Essar Steel Processing FZCO (an Associate). Group's share of losses exceeds the carrying value of the associate amounting to ₹ 0.25 crore, hence the carrying value is reduced to nil.

Group's share of capital commitment has been disclosed under Note no. 48. Further there is no contingent liabilities of associates as at 31st March 2024.

56 Non-Controlling Interest

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly-owned by the Company.

The balance of non-controlling interests as at the end of the year is as below:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Controlling Interest	226.27	225.27
	226.27	**225.27**

The table below provides information in respect of subsidiaries where material non-controlling interest exists:

(₹ in crores)

Particulars		Country of Incorporation	As at 31st March, 2024	As at 31st March, 2023
			% of non-controlling interest	% of non-controlling interest
1	AMNS Ports India Limited#	India	2.25%	2.25%
2	AMNS Ports Hazira Limited#	India	2.22%	2.22%
3	AMNS Ports Paradip Limited#	India	2.22%	2.22%
4	AMNS Ports Vizag Limited #	India	2.22%	0.00%

 # Referred to as "Port entities"

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for the year ended 31st March, 2024

The summarised financial information of material subsidiaries are provided below.

Summarised statement of profit and loss for the year ended 31st March, 2024:

(₹ in crores)

Particulars	Port Entities 31st March, 2024	Port Entities 31st March, 2023
Revenue from Operations	1,382.41	519.78
Other Income	87.74	15.78
	1,470.15	**535.56**
Total Expenses	(489.14)	(184.20)
Finance Costs	(249.55)	(8.43)
Depreciation and Amortization Expense	(593.18)	(156.90)
Profit before Tax	**138.28**	**186.03**
Tax Expense	(92.74)	(75.63)
Profit after Tax	**45.54**	**110.40**
Other Comprehensive Income	(0.04)	0.71
Total Comprehensive Income	**45.50**	**111.11**
Attributable to non-controlling interests	**1.00**	**2.50**

Summarised balance sheet as at 31st March, 2024:

(₹ in crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current Assets	19,493.32	14,196.84
Current Assets	2,259.27	1,378.44
Non Current Liabilities	(6,373.45)	(5,461.33)
Current Liabilities	(468.07)	(101.80)
	14,911.07	**10,012.15**
Attributable to:		
Equity holders of parent	14,684.80	9,786.88
Non-controlling interest	226.27	225.27

Summarised Cash Flow statement:

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Operating	230.93	(131.73)
Investing	(745.78)	(477.63)
Financing	(105.88)	512.43
Net increase/(decrease) in cash and cash equivalents	**(620.73)**	**(96.93)**

57 The company through its subsidiary AMNS Port Hazira Limited ("Port Hazira") acquired Essar Vizag Terminal Limited ("EVTL") on 27th February 24. EVTL is Iron-ore export terminal at Visakhapatnam, Andhra Pradesh, and is one of the largest iron ore handling complex in India.

In previous year, AMNS India reached a definitive agreement on 26th August, 2022 to acquire port, power plants and other logistics and infrastructure assets in India from the Essar Group. On 19th October, 2022, AMNS India completed the acquisition of Essar Power Hazira Limited, corresponding to a 270 MW multi-fuel power plant at Hazira which has a long-term power purchase agreement with AMNS India. On 15th November, 2022, AMNS India completed the acquisition of Essar Bulk Terminal Limited (EBTL) through Hazira Cargo Terminal Limited and Ibrox Aviation and Trading Private Limited (including payment

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for the year ended 31st March, 2024

towards restriction on Brand usage), corresponding to a 25 million-tonne per annum jetty at the all-weather, deep draft bulk port terminal at Hazira, Gujarat, captive and adjacent to AMNS India's flagship steel plant and Essar Bulk Terminal Paradeep Limited (EBTPL), corresponding to a 12 million-tonne per annum deep-water jetty at Paradeep, Odisha along with a dedicated conveyor that handles 100% of pellet shipments from AMNS India's Paradeep pellet plant.

Acquisition during the year ended on 31st March, 2024

	Name of the Company	Group	Date of Acquisition	Pre Acquisition	Acquired during the year	Post Acquisition
1	AMNS Ports Vizag Limited (fka Essar Vizag Terminal Limited)	Port	27th February, 2024	-	97.78%	97.78%

Acquisition during the year ended on 31st March, 2023

	Name of the Company	Group	Date of Acquisition	Effective holding (%)*		
				Pre Acquisition	Acquired during FY 2022-23	Post Acquisition
1	AMNS Ports India Limited (fka Hazira Cargo Terminal Limited)	Port	15th November, 2022	0.00%	97.75%	97.75%
2	AMNS Ports Shared Services Private Limited	Port	15th November, 2022	0.00%	100.00%	100.00%
3	AMNS Ports Hazira Limited (fka Essar Bulk Terminal Limited)	Port	15th November, 2022	0.50%	97.28%	97.78%
4	AMNS Ports Paradip Limited (fka Essar Bulk Terminal Paradeep Limited)	Port	15th November, 2022	0.00%	97.78%	97.78%
5	AMNS Power Hazira Limited (fka Essar Power Hazira Limited)	Power	19th October, 2022	0.40%	99.60%	100.00%
6	Bhagwat Steel Limited	Others	19th October, 2022	47.38%	52.62%	100.00%

** Effective holding includes potential voting rights arising from the convertible instruments.*

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a basis of the fair value of the acquired assets and assumed liabilities. The resulting differential has been accounted as goodwill.

The aggregate purchase price (Purchase Consideration) has been allocated to the assets acquired and liabilities assumed in accordance with principles of IND AS 103 as under:

Acquisition during the year ended on 31st March, 2024

(₹ in crores)

Particulars	EVTL
Purchase Consideration in cash (PC) [A]	200.12
Fair value of liabilities taken over	
Borrowings	666.02
Deferred Tax liabilities	54.70
Other Financial / Non Financial Liabilities	153.69
Fair value of liabilities taken over [B]	**874.41**
I. Total Fair Value of PC and Liabilities taken over [A]+[B]	**1,074.53**
Fair value of Assets taken over	
Port License/Concessionaire Agreement	832.31
Property, Plant and Equipments (incl. CWIP & ROU)	123.54

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	EVTL
Cash and Cash Equivalent	8.29
Other Bank Balances	28.36
Other Assets	52.80
II. Total Fair value of Assets taken over	**1,045.30**
Goodwill [I]-[II]	**29.23**

Acquisition during the year ended on 31st March,2023

(₹ in crores)

Particulars	Port	Power	Others	Total
Purchase Consideration (PC) [A]	14,474.21	2,608.33	3.42	17,085.96
Fair valuation of Existing holding [B][1]	64.26	10.45	-	74.71
Purchase Consideration including Fair valuation of Existing holding [C]= [A]+[B]	**14,538.47**	**2,618.78**	**3.42**	**17,160.67**
Non Controlling Interest [D]	222.78	-	-	222.78
Fair value of liabilities taken over				
Borrowings	1,984.10	640.00	-	2,624.10
Other Financial Liabilities	202.36	1.00	-	203.36
Deferred Tax Liabilities	2,929.33	123.20	-	3,052.53
Other liabilities	126.70	92.89	-	219.59
Fair value of liabilities taken over [E]	**5,242.49**	**857.09**	**-**	**6,099.58**
I. Total Fair Value of PC and Liabilities taken over [C]+[D]+[E]	**20,003.74**	**3,475.87**	**3.42**	**23,483.03**

(₹ in crores)

Particulars	Port	Power	Others	Total
Fair value of Assets taken over				
Port License/Concessionaire Agreement	11,031.98	-	-	11,031.98
Property, Plant and Equipments (incl. CWIP)	3,309.75	1,544.55	-	4,854.30
Cash and Cash Equivalent	731.81	296.37	0.15	1,028.33
Other Bank Balances	4.09	-	-	4.09
Other Assets	76.15	36.70	2.90	115.75
II. Total Fair value of Assets taken over [F]	**15,153.78**	**1,877.62**	**3.05**	**17,034.45**
Goodwill [I]-[II]	**4,849.96**	**1,598.25**	**0.37**	**6,448.58**

1 Summary of fair valuation and gain or loss on of Existing holding during the year ended on 31st March, 2023

(₹ in crores)

Particulars	Port	Power	Others	Total
Fair valuation	64.26	10.45	-	74.71
Carrying value of investment	9.05	2.68	-	11.73
Gain on remeasuring to fair value the existing holding charged to OCI	**55.21**	**7.77**	**-**	**62.98**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

2 A. Summary of financial result of acquiree (since acquisition)

(₹ in crores)

Particulars	For the year ended on 31st March, 2024 EVTL
Revenue	15.68
Profit before tax	(2.97)

(₹ in crores)

Particulars	For the year ended on 31st March, 2023			
	Port	Power	Others	Total
Revenue	519.78	155.75	-	675.53
Profit before tax	186.03	115.95	0.04	302.02

B. Summary of financial result of acquiree (from the beginning of the financial year)

(₹ in crores)

Particulars	For the year ended on 31st March, 2024 EVTL
Revenue	150.19
Profit before tax	(123.82)

(₹ in crores)

Particulars	For the year ended on 31st March, 2023			
	Port	Power	Others	Total
Revenue	1,296.94	385.16	-	1,682.10
Profit before tax	529.48	154.71	0.04	684.23

Above result is before elimination of inter-company transactions.

From the date of acquisition, acquiree has contributed to the Group ₹ 15.68 Crores (Previous year ₹ 675.53 crores) of revenue and loss of ₹ 2.97 Crores (Previous year profit of ₹ 302.02 crores) to the profit before tax (before elimination of inter-company transactions).

If the combination had taken place at the beginning of the year, revenue and the profit before tax of the Group would have been as mentioned below (before elimination of inter-company transactions).

(₹ in crores)

Particulars	For the Year 31st March, 2024	For the Year 31st March, 2023
Revenue	59,722.41	56,645.93
Profit before tax	9,857.60	2,787.55

3 Analysis of cash flows on acquisition for the year ended on 31st March, 2024

(₹ in crores)

Particulars	EVTL
Transaction costs (PC) of the acquisition	200.12
Net cash acquired with the subsidiary (included in cash flows from investing activities)	8.29
Net cash flow on acquisition	**191.83**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Analysis of cash flows on acquisition for the year ended on 31st March, 2023

(₹ in crores)

Particulars	Port	Power	Others	Total
Transaction costs (PC) of the acquisition	14,474.21	2,608.33	3.42	17,085.96
Net cash acquired with the subsidiary (included in cash flows from investing activities)	731.81	296.37	0.15	1,028.33
Net cash flow on acquisition	**13,742.40**	**2,311.96**	**3.27**	**16,057.63**

4 Basis the purchase price allocation, the goodwill of ₹ 29.23 Crores (Previous Year ₹ 6,448.58 Crores) crores is recognised in the consolidated financial statements. The goodwill comprises the value of expected synergies arising from the acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

5 The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of property, Plant and Equipment and intangible assets.

6 The fair value of the non-controlling interest in Port entities has been estimated as the proportionate share in the recognized amounts of the identifiable net assets of the Port entities. Value of Identified net assets of the companies are measured basis the fair valuation according to the methods suitable for each class of assets which can be described as follows:

A. Property Plant and Equipment ("Specified Assets"): Depreciated replacement cost method has been used to determine fair value of specified assets. Significant assumptions used while applying the said methods are :

a. Straight line depreciation Method has been used.

b. Salvage Value has been considered in the range of 2-5%.

B. Intangible Assets : Multi period Excess Earnings method has been used to determine the fair value of Port License/ Concessionaire Agreement. Significant assumptions used while calculating Value of Intangible are based on below significant inputs which are not observable in the market:

a. An assumed discount rate ranges from 11.40%-11.60%

b. Economic Useful life of Port License /Concessionaire Agreement EBTL,EBTPL and EVTL as 40 years, 3 years and 21 years respectively.

7 Contingent liabilities of acquiree has been disclosed under Note no. 47.

58 Borrowings Note

(₹ in crores)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Long Term Borrowings Note (including current maturity)		
(1) Term Loans		
From Related Party		
(i) Secured by pari passu first charge on movable fixed assets and mortgage of immovable properties of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land) and second pari passu charge on the current assets of the Company. Loans carrying interest @6M SOFR plus 2.80 % p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	3,028.16
(ii) Secured by pari passu first charge on movable fixed assets and mortgage of immovable properties of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land), second pari passu charge on the current assets of the Company. Loans carrying interest @6M SOFR plus 2.80 % p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	604.74

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(iii) Secured by pari passu first charge on movable fixed assets and mortgage of immovable properties, both present & future, of the Company (except leasehold rights on the Visakhapatnam Port Trust land and Orissa ISP land), second pari passu charge on the current assets, both present & future, of the Company Loan carries interest @ 6M SOFR plus 2.80% p.a. The principal is repayable on 20th March, 2030 (Refer Note 1)	-	813.14
From Financial Institutions		-
(i) Secured by hypothecation and charge on Vehicles for which loan were availed. Loan is repayable in monthly equal instalment between January 2021 to January 2027. Loans carry interest rate of 7.90% p.a. (Previous Year 7.90% p.a.). The Said loan has been repaid in full by the company in April 2024.	3.21	3.93
(ii) Secured by hypothecation and charge on Vehicles for which loan were availed. Loan is repayable in monthly equal instalment between January 2021 to January 2027. Loans carry interest ranging from 8.75% p.a. to 10.75% p.a. (Previous Year 8.75% p.a to 10.75% p.a). The Said loan has been repaid in full by the company in April 2024.	3.86	4.41
Unsecured Borrowings		-
Unsecured INR denominated Bonds (INR ECB Loan) carry interest @ 10.18% p.a. (previous year 10.00% p.a.) Bonds Redemption schedule is, half yearly repayment of ₹1,000 crores starting from March 2026 and ₹1,250 crores from September 2027 until September 2029 and final bullet repayment of balance ₹14,750 crores in March 2030 (Previous Year: Principal amount is repayable in half yearly instalment of INR 1000 crores from September 2024 until September 2029 and final bullet payment of INR 13,000 crores in March 2030). Interest on Bond is payable in structured manner at the interval of every Six Months. (Refer Note 2)	30,897.71	29,161.64
Unsecured External Commercial Borrowing (ECB) Loans carrying interest @ 6M SOFR plus 2.80 % p.a. The principal is repayable in Bullet on 20th March, 2030 (Refer Note 1)	4,510.35	-
Unsecured External Commercial Borrowing (ECB) Loans carrying interest @ 6M SOFR plus 2.62 % p.a. The principal repayment schedule begins semi annually of USD 208.33 mn from September 2027 until September 2032 and bullet repayment of USD 2708.33 mn in March 2033. Interest on Bond is payable in structured manner at the interval of every Six Months w.e.f September 2023 until March 2033. (Refer note 3)	7,785.39	-
	43,200.52	**33,616.02**
Current Borrowings		
Bridge Loan		
Overdraft facility was secured with 100% non-callable fixed deposits for short term period of six months carrying interest rate ranging from 7.50% to 7.75% (Previous Year : 5.75% p.a to 7.80% p.a). The Company fully settled this facility in June 2023. Subsequently, the underlying fixed deposits were released, and no dues certificate was issued by the respective bank.	-	1,574.21

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in crores)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Commercial Paper - Unsecured		
Commercial Paper raised by the Company are unsecured and short-term in nature ranging between four to six months and carry interest ranging from 7.14% p.a. to 8.10% p.a (Previous Year : 7.80% p.a to 8.00% p.a)	-	971.42
	-	**2,545.63**

Note:

1 The Company and AMNS Luxembourg Holdings S.A. (AMNSL & Lender) amended certain terms and conditions of the ECB facility through an agreement dated 30th March, 2021 (the A&R agreement). The applicable interest rate was changed from 6-month Libor + 2.50% to 6 month SOFR + 2.80% through agreement dated 2nd August, 2022. The amended interest rate became effective from 21st September, 2022, onwards, with interest accrual starting on that date. In accordance with A & R agreement, following the NCLT order dated 15th March, 2023, the ECB facility was converted into an unsecured facility. All charges were satisfied in June 2023, based on the NOC issued by the Lender. Subsequent to the interest benchmarking study conducted during the year, the interest rate of 6M SOFR plus an effective spread of 2.80% per annum will continue.

2 The Company signed an agreement on 1st March, 2019 with its parent company for the issuance of unsecured INR-denominated Bonds worth ₹ 24,000 crores (INR ECB). Due to the advent of the COVID-19 pandemic, it was agreed that no interest would be charged, accrued, or payable on the Bonds from 1st April, 2020, until 31st March, 2021. Furthermore, the Company and its parent company entered into an updated agreement dated 30th March, 2021, extending the redemption period in instalments, extending interest payments, and granting a conversion right to equity, subject to ECB guidelines. Moreover, during the financial year 2021-22, the Company and its parent Company entered into an updated agreement dated 14th January, 2022, amending the interest repayment schedule of the bonds. Consequently, a difference in the financial liability of ₹ 184.63 crores has been transferred to capital contribution . The effective interest rate is 7.89%. The interest rate of 10.00%, as per the bond agreement, is subject to the overall ceiling as provided in the ECB Guidelines, which may be amended from time to time.

Thereafter, to preserve operational free cash flows for supporting its downstream and coke oven 1&2 projects at the Hazira location, the Company signed an amendment agreement on September 12, 2023, with its parent company to amend the principal repayment terms. The new repayment terms involve starting half-yearly repayments of ₹ 1,000 crores from March 2026 and ₹ 1,250 crores from September 2027, with a bullet repayment of ₹ 14,750 crores in March 2030. Based on the interest benchmarking study conducted during the year, the Company has reset the interest rate to 10.18% per annum, with effect from September 20, 2023.

3 To fund the Company's capital expenditure (capex) expansion plans at the Hazira location related to the Upstream project, AMNS Luxembourg Holdings S.A. (AMNSL & Lender) has provided a USD 5 billion line of credit to AMNSI. The Company signed an agreement on April 6, 2023, with AMNSL for an unsecured ECB loan of USD 5 billion. During the fiscal year 2023-24, the Company has drawn an ECB loan of USD 929.30 million under this facility. Based on the interest benchmarking study, the Company has finalized the interest rate at 6M SOFR plus a effective spread of 2.62% per annum.

4 According to the approved Resolution Plan and the Supreme Court order dated 15th November, 2019, the Corporate and Personal Guarantees provided by the former Essar promoters and Essar group companies are not binding on ArcelorMittal Nippon Steel India Limited (the Company).

59 Subsequent to the year end, on 10th July 2024, AMNS India completed the acquisition of Essar Power Transmission Company Limited (EPTCL) for a consideration of ₹ 924.42 crores. EPTCL has been granted transmission license for Gandhar - Hazira line (Stage I) – ~104 kms. Hazira transmission line is connecting AMNS India's steelmaking complex at Hazira with the central electricity grid. This transmission line becomes critical to ensure smooth continued operations of the steel plant along with seamless implementation of expansion. Further, this transmission line will also allow AMNS to procure green energy from its future planned investments.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

60 During the year, Management has approved filling of Draft Schemes of Amalgamation and Arrangement with NCLT Ahmedabad and NCLT Mumbai for the proposed amalgamation of AMNS Gandhidham Limited (formerly known as Indian Steel Corporation Limited) and their respective shareholders with the Company from the appointed date (May 6, 2023) mentioned in the Scheme and AMNS Khopoli Limited and their respective shareholders with the Company from the appointed date (November 10, 2022) mentioned in the Scheme. The scheme was filed with NCLT on December 21, 2023 and on November 04, 2023 respectively. Further, during the year, Management has approved filling of Draft Scheme of Amalgamation and Arrangement with NCLT Ahmedabad for the proposed amalgamation of Nand Niketan Services Private Limited, Snow White Agencies Private Limited, AMNS Power Hazira Limited and their respective shareholders with the Company from the appointed date mentioned in the Scheme. Pending NCLT approvals, no impact of the above schemes have been given in these consolidated financial statements.

61 Except stated elsewhere in these Consolidated Financial Statements, there are no other subsequent events that may have impact as at balance sheet date.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Pritesh Maheshwari
Partner
Membership Number: 118746

Place: Mumbai
Date: 26th July, 2024

For and on behalf of the **Board of Directors of ArcelorMittal Nippon Steel India Limited**

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Amit Harlalka
Chief Financial Officer

Pankaj S Chourasia
Company Secretary

Place: Mumbai
Date: 26th July, 2024

ArcelorMittal Nippon Steel India

"AMNS House", AMNS Township 27 km, Surat Hazira Road,
Hazira, Gujarat – 394270, India