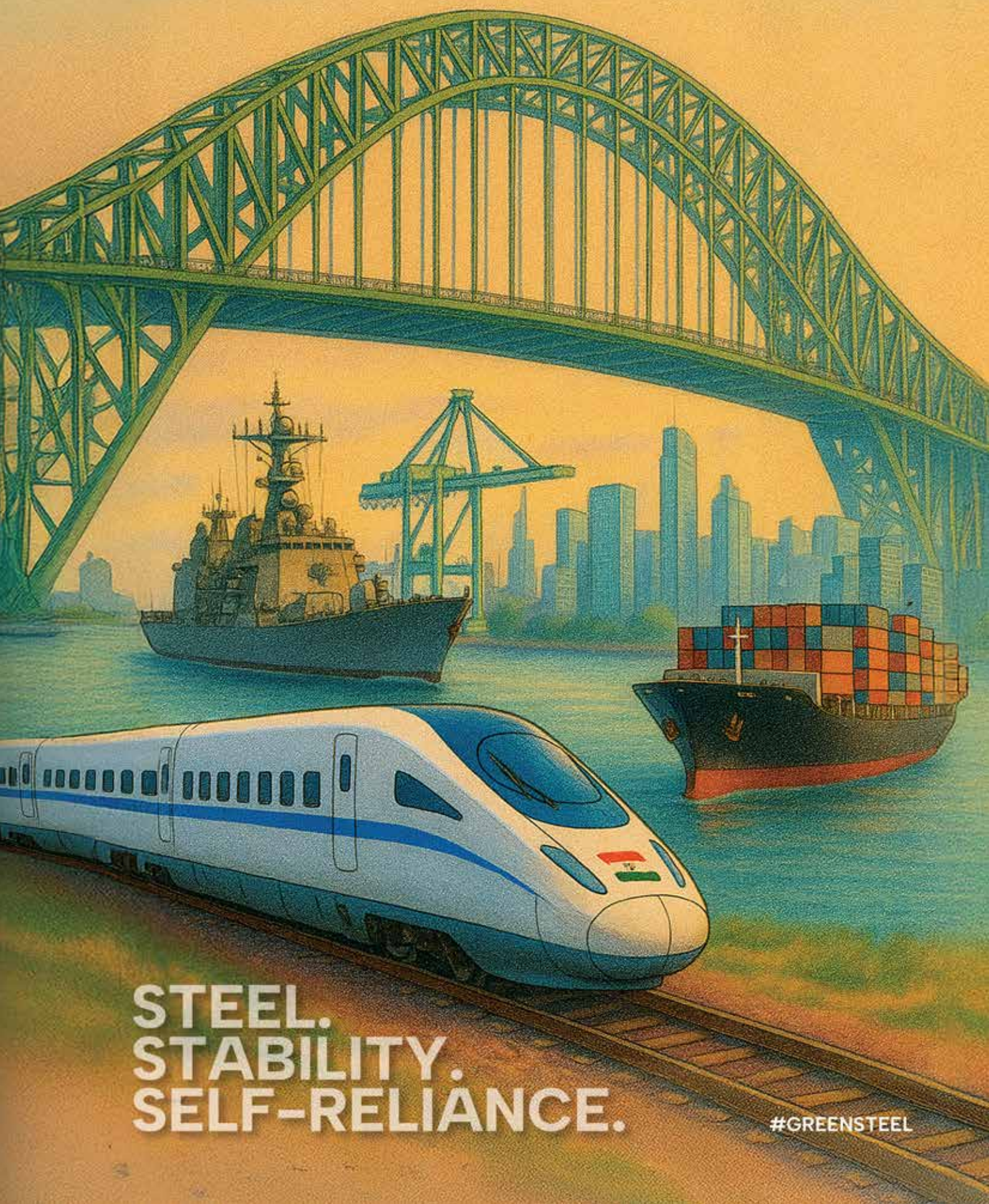


AM/NS INDIA

ArcelorMittal Nippon Steel India

SMARTER
STEELS
BRIGHTER
FUTURES



STEEL.
STABILITY.
SELF-RELIANCE.

#GREENSTEEL



The background of the entire page is a close-up, high-contrast photograph of a large coil of steel wire. The wire is tightly wound, creating a dense, textured pattern of vertical lines. A metal clasp or part of a machine is visible on the left side, gripping the wire. In the center, a small white rectangular label is attached to the wire, featuring the text 'AM/NS INDIA' in red.

**AM/NS
INDIA**

ArcelorMittal Nippon Steel India

**49TH
ANNUAL
REPORT
2024-25**

/ CONTENTS

Corporate Overview

02

Steel. Stability.
Self-Reliance.



06

Message from
the Chairman



08

Message from
the CEO



10

AMNSI
in Numbers



14

Key Performance
Indicators



16

AMNSI's
Presence



17

Product
Portfolio



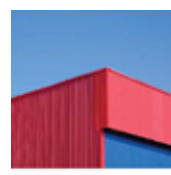
18

Industry
Applications



19

Marketing
Initiatives



20

Growth &
Innovation



22

Research &
Development



24

People of
AMNSI



26

Safety
at AMNSI



28

Sustainability
at AMNSI:
Progress
with Purpose



30

CSR at AMNSI:
Creating Shared
Value



32

Awards:
Recognised
for Excellence



34

Events: Building
Meaningful
Connections



36

Board of
Directors



Statutory Reports

00

Corporate
Information



00

Notice of the
48th Annual
General Meeting



00

Board's
Report



00

Management
Discussion
and Analysis



Financial Statements

00

Standalone
Financial
Statements



00

Consolidated
Financial
Statements



STEEL. STABILITY. SELF-RELIANCE.

Forging the Future of a Nation on the Rise

India stands at a defining moment in its journey, poised between the resilience of its legacy and the promise of its future. Nation building today is no longer just about roads, bridges, or factories, it's about progress with purpose. At AMNS India, steel represents something far greater: a catalyst for nation building, an enabler of transformation, and a symbol of India's march toward self-reliance and resilience.

As India steers confidently toward its Viksit Bharat 2047 vision that promises inclusive growth, sustainable development, and global leadership, AMNS India is set to becoming a cornerstone of that journey. While we are building the infrastructure of tomorrow, we're shaping the values and systems that underpin a strong, self-reliant India.

Building in the Age of Transformation: The Green Steel Transition

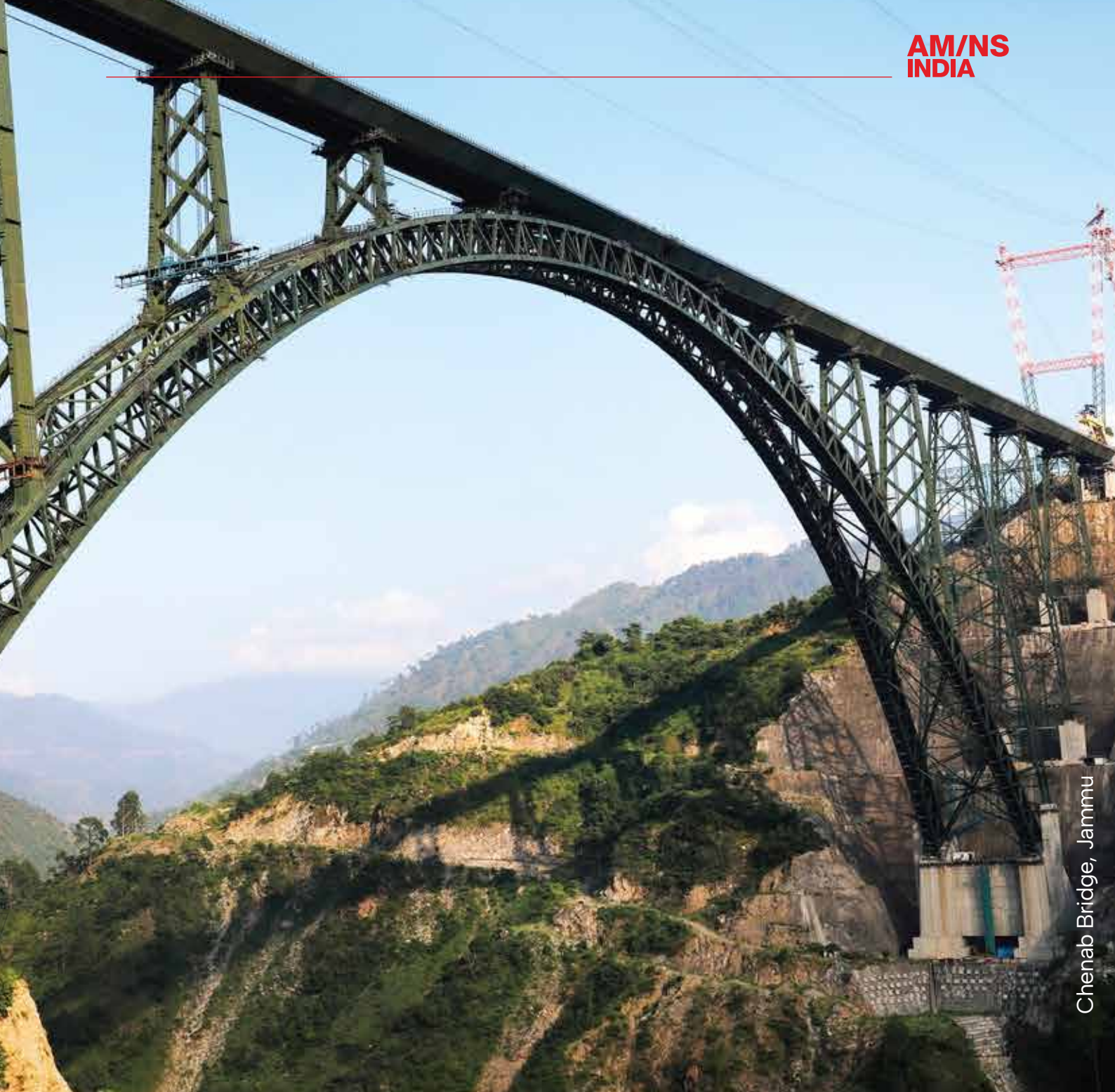
Across the world, the steel industry is undergoing a profound shift. The transition to green steel, driven by the urgency of climate change and evolving regulatory frameworks, is redefining how steel is produced and consumed. At AMNS India, we are not waiting for the future to arrive. We are shaping it by developing next-generation technologies, decarbonising our operations, and engineering innovative, sustainable products like Magnelis® and Optigal®.

70% of our current product portfolio is already aligned with 3-star readiness under the upcoming Green Steel taxonomy. This alignment is the result of deliberate investment, strategic planning, and consistent execution across the three core pillars of Green Steel:

- Operational Efficiencies
- Green Power
- Scrap Integration

As the global spotlight turns toward low-carbon materials and responsible sourcing, our commitment to this transition places India firmly at the forefront, ensuring that our growth remains both progressive and planet-positive.





Chenab Bridge, Jammu

Decarbonisation & Circularity: Creating Steel with a Soul

Nation building in the 21st century demands accountability. At AMNS India, sustainability doesn't stop at emissions, it extends to how we source, reuse, and regenerate. We have embedded decarbonisation and circularity into the heart of our operations. 65% of our steel is produced through the low-carbon DRI-EAF route, with a target to reduce CO₂ intensity to 1.8 tCO₂/tcs by 2030. We are expanding renewable energy adoption and implementing zero liquid discharge systems.

Aligned with the Nation's Ambition: Growth with Purpose

India's rising steel demand mirrors its growth. AMNS India is investing in capacity and capability, aligning closely with the national agenda. From Pellet and Slurry pipeline expansion at Paradeep to doubling steelmaking capacity at Hazira, we are reinforcing critical sectors like infrastructure, transportation, and energy.

Our projects are closely linked to national imperatives like Make in India, Atmanirbhar Bharat, and Viksit Bharat 2047, strengthening supply chains, generating employment, and reducing dependency on imports.

As India aims higher, we're ensuring that steel doesn't just follow, it leads.

Technology at the Core: Capacity Meets Capability

Our vision of self-reliance is deeply rooted in technological empowerment. As we expand capacity across Gujarat, Andhra Pradesh, and Odisha, we are proactively integrating cutting-edge technologies: AI for safety monitoring, ML for resource optimisation, and cloud-driven IT systems for operational excellence.

This is Industry 4.0 in action. Our new automotive line, for instance, will empower OEMs to source 100% of their high-grade steel locally, marking a historic step toward full domestic integration.

Integrated Value Chain: Strength with Synergy

To ensure raw material security, AMNS India is actively expanding its mining footprint, ensuring consistent and sustainable access to key resources like iron ore. The company's integrated value chain—from captive mines to ports, power plants, and manufacturing facilities—creates end-to-end visibility, cost control, and reliability for customers.

Port and power infrastructure, including the company's private jetty and thermal/captive renewable power assets, enable smoother logistics, energy security, and lower emissions, completing the loop of operational efficiency.

Safety, Governance & Compliance: A Culture of Accountability

True nation building begins with responsibility, not just toward production goals, but toward people, systems, and the planet. At AMNS India, this ethos drives our commitment to safety, governance, and compliance across every level of operation. This year, we undertook a comprehensive DSS+ safety audit, resulting in six strategic recommendations that are now being strategically implemented across all sites, accelerating our 'Journey to Zero,' zero harm, zero compromise.

Equally vital is our approach to governance and compliance. We uphold the highest standards of transparency, ethical conduct, and operational discipline, ensuring full alignment with national regulations and global ESG frameworks. Our governance practices are driven by accountability, reinforced through internal audits, stakeholder engagement, and data-driven reporting.

Our People, Our Power: Culture that Builds Futures

Behind every tonne of steel is the work of passionate, skilled individuals who are the true architects of progress. From engineers and operators to researchers and community leaders, AMNS India is investing in its people with a focus on skill development, inclusive culture, and leadership growth.

Our initiatives like Daksh, SAFAL, and Udaan are transforming lives across the country, training youth in digital skills, empowering farmers with smart practices,





and nurturing sporting talent for national pride. Through focused talent acquisition, upskilling programs, and career mobility initiatives, we are building a workforce that is agile, future-focused, and deeply committed.

India at the Centre: A Promise to the Nation

AMNS India's journey is defined by purpose and progress. In an era where resilience and responsibility are as important as growth and profitability, we are forging a path that is bold, sustainable, and deeply aligned with the needs of the nation.

With every beam of steel we roll out, we're one step closer to a stronger, greener, and more inclusive tomorrow. Because the future is not built in the clouds. It is forged. In steel.

MESSAGE FROM THE CHAIRMAN

Dear Esteemed

Shareholders,

We are navigating a world where uncertainty has become the norm. Geopolitical instability, inflationary pressures, digital threats, and evolving trade dynamics continue to challenge the global economic order. For the steel industry, these complexities are further heightened by shifting demand patterns, changing trade policies, and rapid technological transformation.

India: A Beacon of Growth

Amid global volatility, India remains a beacon of opportunity. While Western economies face slowdowns and steel demand contractions, India is advancing confidently, driven by robust reforms, large-scale infrastructure investments, and a rising middle class. With GDP projected to grow at 6.2% in FY 2024–25, India's long-term economic promise is stronger than ever.

Resilient Performance

At AM/NS India, we are proud to contribute to this momentum. Despite global overcapacity and volatile pricing, AM/NS India delivered record-breaking results:

- 7.9 million tonnes in volume, an 11% year-on-year increase
- Successful launch of new high-value products that were well received by customers

This performance reflects our operational excellence and customer-centric approach.

Safety: A Top Priority

Safety remains our top priority. We undertook a comprehensive nine-month safety audit across our operations, leading to the implementation of six core safety recommendations. These efforts mark a significant milestone in our ongoing 'Journey to Zero', our commitment to creating a zero-harm workplace.

Sustainability Leadership

We are leading the charge toward a low-carbon future:

- Achieved CO₂ intensity of 2.17 tCO₂/tcs, 14% lower than the national average
- On track to reduce this further to 1.8 by 2030
- 65% of our production is via the low-carbon DRI route
- New solar, wind, and pumped hydro projects in Andhra Pradesh will meet over 20% of Hazira's energy needs, reducing emissions by 1.5 million tonnes annually

Advancing Circularity

In alignment with India's scrap recycling policies, we have:


- Fully operational scrap facility at Khopoli
- Three additional scrap processing units under development Recycling not only reduces emissions by up to 58%, but also conserves critical natural resources.

Green Steel and Technological Edge

We welcome the government's forthcoming Green Steel Taxonomy and are on track to be the first integrated steelmaker in India to receive a three-star rating.

We remain at the forefront of the industry's transformation with ongoing investments in:

- Digital capabilities
- Robust logistics infrastructure
- Emerging technologies like CCUS (Carbon Capture, Utilisation, and Storage)



In just five years, AM/NS India has become synonymous with quality and integrity. As we look to the future, we do so with a strong sense of responsibility; to lead by example, grow sustainably, and create lasting value for our customers, communities, and the nation. The journey has just begun.

Enabling India's Growth Sectors

As we expand our capacity across Hazira, Andhra Pradesh, and Odisha, and scale innovations like Magnelis® and Optigal®, we are empowering key sectors including renewables, automotive, and infrastructure.

Our new auto line will soon enable OEMs to fully localise high-value steel sourcing, reducing dependence on imports.

Forging Ahead with Confidence

In just five years, AM/NS India has become synonymous with quality and integrity. As we look to the future, we do so with a strong sense of responsibility; to lead by example, grow sustainably, and create lasting value for our customers, communities, and the nation. The journey has just begun.

Thank you for your continued trust.

Thank you for your trust.

Sincerely,
Aditya Mittal
Chairman, AM/NS India

MESSAGE FROM THE CEO

Dear *Shareholders,*

It gives me immense pleasure to share that we have completed five transformative years since our inception in 2019. In this relatively short span, we have not only established ourselves as a trusted name in the steel industry but have also become synonymous with high-quality, value-added products and reliable services. Over the past three fiscal years, we have consistently delivered revenues of over ₹xxx crores, while maintaining a stable net debt-to-equity ratio of xxx.

Our journey has been marked by strategic decisions that have strengthened our foundation and future readiness. The acquisition of critical connected assets—including slurry pipelines, iron ore mines, ports, and power plants—has fortified our supply chain and enhanced operational efficiency. The turnaround of previously stressed assets, the introduction of new value-added products, and continuous improvement in operational efficiency have been pivotal in shaping our growth story.

Throughout this journey, one principle has remained non-negotiable: our commitment to the health and safety of our people, which continues to be the cornerstone of everything we do. We have driven visible leadership, conducted DSS+ safety audits, expanded training across all levels—including senior management—and leveraged AI to make AM/NS a safer place to work. We are building on this progress to Make Zero Happen.

Resilient Growth in a Reshaping World

The fiscal year 2024–25 was shaped by a series of benign yet persistent global challenges—ranging from geopolitical tensions and conflicts to tariff wars, inflationary pressures, and economic uncertainty. These headwinds cast a shadow over the Indian economy, despite its position as one of the fastest-growing emerging markets. India's GDP growth moderated to a four-year low of 6.5%, reflecting the broader global slowdown.

Within this environment, the domestic steel sector held steady, with demand rising from 136.3 MTPA in FY 2023–24 to 152 MTPA in FY 2024–25, and per capita consumption crossing the 100 kg mark. However, the sharp increase in steel imports—from 8.3 million tonnes

to 9.6 million tonnes—at predatory prices significantly impacted margins, leading to HRC prices dropping to a four-year low in January 2025. While iron ore prices remained largely stable, they offered limited relief, as the pressure on spreads persisted—making it a difficult operating environment for steel producers.

In parallel, we are strengthening our long-term resilience by securing critical raw materials. Alongside our existing mines at Sagasahi and Thakurani, we have expanded our resource base with the acquisition of two additional iron ore mines in Bailadila, Chhattisgarh. To further enhance upstream integration and support our growing production needs, we are also setting up a 3.6 MTPA pellet plant in Vizag, which will improve supply chain efficiency and operational continuity.

Growing with India, for India.

Steel has long been the foundation of every advanced economy, supporting the rise of modern infrastructure. With per capita consumption expected to rise from just over 100 kg to 160 kg by 2030, the demand outlook remains strong. In alignment with this national vision, we are expanding capacity—from 9 MTPA to 15 MTPA in Hazira, Gujarat (Phase 1), and an additional 7.3 MTPA greenfield project in Rajayyapeta, Andhra Pradesh (Phase 1). Further expansions are also being planned across Gujarat, Odisha, and Andhra Pradesh, reinforcing our commitment to support India's infrastructure growth and industrial transformation.

The Hazira expansion is progressing steadily and is on track for completion by the end of 2026. In Rajayyapeta, we have initiated the land acquisition process, marking the first step in establishing a world-class integrated steel facility that will serve as a cornerstone for our southern operations. I am proud of our significant contributions to India's most iconic engineering marvels. Our steel has played a vital role in the construction of INS

Growing with India, for India.

Steel has long been the foundation of every advanced economy, supporting the rise of modern infrastructure. With per capita consumption expected to rise from

"Looking ahead, FY 2025 will be a year of strategic focus and operational excellence. We are intensifying our efforts on high-value-added products and cost optimisation to unlock greater efficiencies and customer value."



just over 100 kg to 160 kg by 2030, the demand outlook remains strong. In alignment with this national vision, we are expanding capacity—from 9 MTPA to 15 MTPA in Hazira, Gujarat (Phase 1), and an additional 7.3 MTPA greenfield project in Rajayyapeta, Andhra Pradesh (Phase 1). Further expansions are also being planned across Gujarat, Odisha, and Andhra Pradesh, reinforcing our commitment to support India's infrastructure growth and industrial transformation.

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I am proud of our significant contributions to India's most iconic engineering marvels. Our steel has played a vital role in the construction of INS Surat, one of the world's most sophisticated vessels; Chenab bridge – the world's highest railway arc bridge; and Anji bridge – India's first cable-stayed rail bridge, which truly showcased India's engineering prowess. These contributions reflect our broader purpose: to be a reliable partner in nation-building towards Viksit Bharat 2047.

Building Tomorrow

As we move ahead, we are focused on building a stronger, smarter, and more sustainable future. With our growing portfolio of value-added products, investments in innovation and R&D, and a deep commitment to nation-building, we are ready to meet the challenges and opportunities that lie ahead.

I sincerely thank our employees, customers, partners, and shareholders for the continued trust and support. Together, we will keep pushing boundaries and shaping the future of steel—for India and beyond.

Warm regards,
Dilip Oommen
CEO, AM/NS India

AMNSI IN NUMBERS

In a year of challenges and opportunities, ArcelorMittal Nippon Steel India (AM/NS India) delivered strong operational results while staying true to its values of safety, sustainability, and innovation. The company achieved record production across key facilities, introduced high-value products, and marked 30 years of green steelmaking at SMP1 with over 67 million tonnes produced since inception.

Despite setbacks, a renewed safety roadmap was launched to strengthen systems and culture, supported by accolades like the Global Performance Excellence Award 2024 for CRMI.

With the launch of Magnelis® and Optigal®, AMNSI continues to power India's journey toward self-reliance and low-carbon growth. At the heart of AMNSI's growth is a long-term vision, to make India self-reliant in high-grade steel while leading the transition to a low-carbon future. These numbers aren't just performance metrics, they reflect a deeper commitment to building a stronger, greener, and safer India.

Financial Highlights

Turnover

₹ 57,433.02

EPS

₹ 2.79

ROCE

₹ 13.79%

PAT

₹ 6,997.23 Cr

EBITDA

₹ 57,433.02

Operational Highlights

7.26

MT/year Crude Steel (HRC)
Production Capacity at
Hazira: 7.26 million tons

%

~~Y-O-Y~~ Volume Growth

6.34 MTPA

KT of total mining
Sagasahi Mines

5.5 MTPA

KT of steelmaking
production
Thakurani Mines

7.34

KT of steelmaking
production

OPTIGAL®

Magnelis®

New products developed

17

~~New steel grades~~

6

~~Hypermart outlets~~

7,230

~~Total workforce in India~~

CSR Highlights

EDUCATION

100

AI-enabled smart classrooms set up in government schools

7.1 LAKH+

students empowered through educational initiatives

1500+

underprivileged girls awarded higher education scholarships



HEALTHCARE

6.6 LAKH

people benefited through healthcare under Project Aarogya

12.06 LAKH

litres/day clean drinking water provided to remote villages under Project Trupti



LIVELIHOOD & SKILL DEVELOPMENT

2400

youths trained under Project Daksh

70%+

placed in top companies

2000+

farmers supported through Project SAFAL

1600+

women and girls trained in tailoring and vocational skills

20+

micro-enterprises established



SPORTS & CULTURE

2.4 LAKH+

individuals benefited from sports initiatives under Project Udaan

355

gymnasts and 50 Kho-Kho athletes trained

3 INTERNATIONAL & 211 NATIONAL

medals in gymnastics

2 INTERNATIONAL & 20 NATIONAL

medals in Kho-Kho

3 ATHLETES

from AMNSI's KHPC represented Team India in winning the First Kho Kho World Cup 2025



COMMUNITY INFRASTRUCTURE

6.4 LAKH

individuals benefited through Project Nirman via construction and renovation of community assets



Safety Highlights

- **One Safety Culture** rolled out
- **Permit 2.0** launched
- **ISO 45001 Certification** achieved
- **Key Safety Technologies** deployed
 - Anti-tilt systems • No-touch tools • Vehicle alert systems
- **On-ground Safety** strengthened
 - Toolbox Talks • Lakshman Rekha Zones
 - QR-coded SOPs • Safe Walkways
- **People-first** approach
 - 20% KPI weightage for junior managers
 - Contractor training via Aagman
- **Enhanced Monitoring**
 - REX portal reviews • Audits • Awareness campaigns

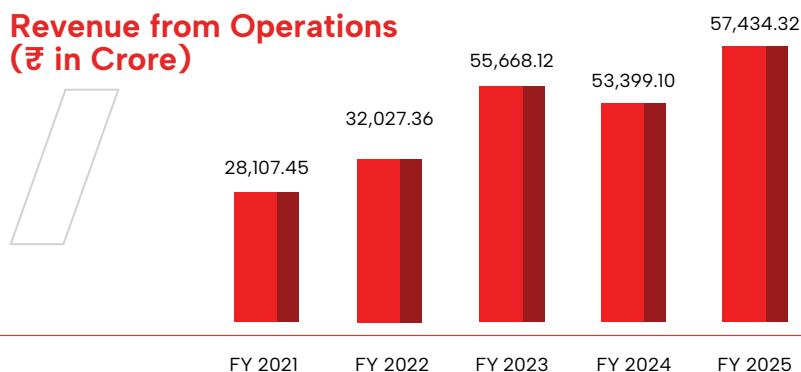


KEY PERFORMANCE INDICATORS

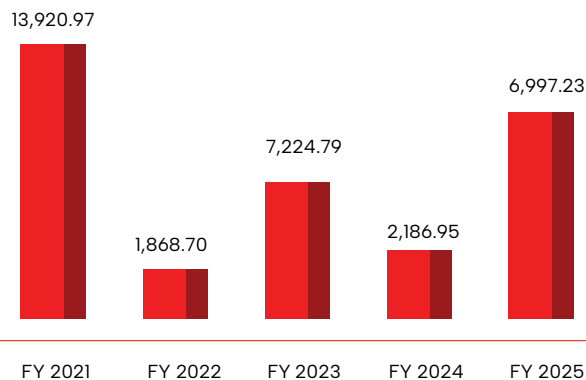
Our performance in FY 2024–25 reflects consistent progress and strategic resilience.

These key indicators reflect how we are steadily creating long-term value, ensuring operational excellence, and reinforcing India's journey towards industrial strength and sustainability.

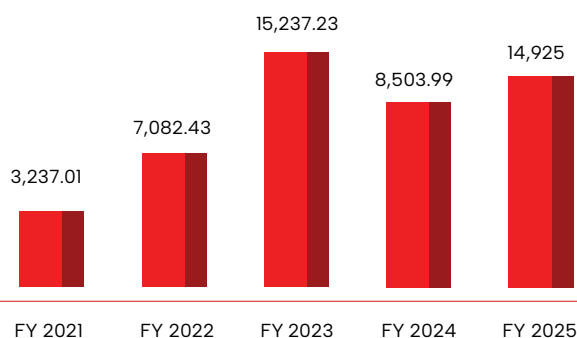
Revenue from Operations (₹ in Crore)

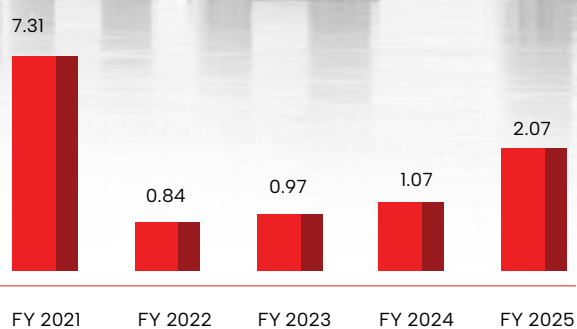
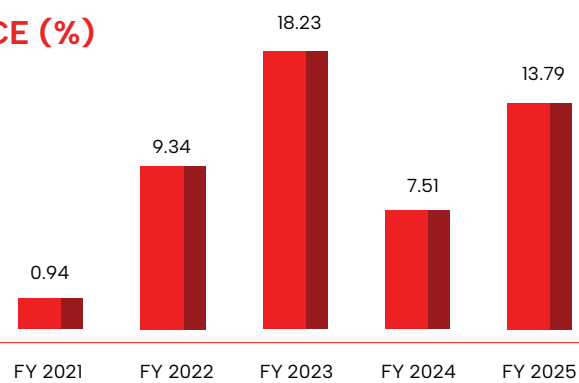
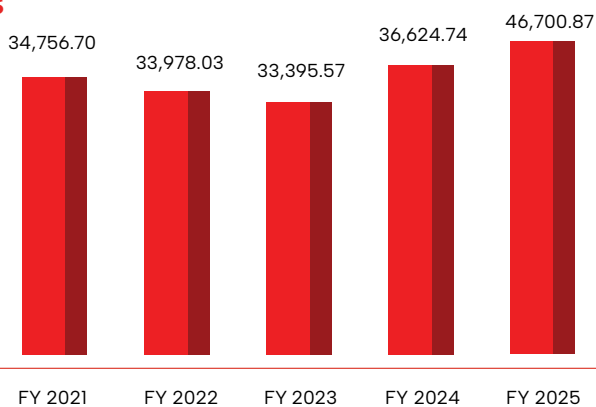


PAT (₹ in Crore)



EBITDA (₹ in Crore)

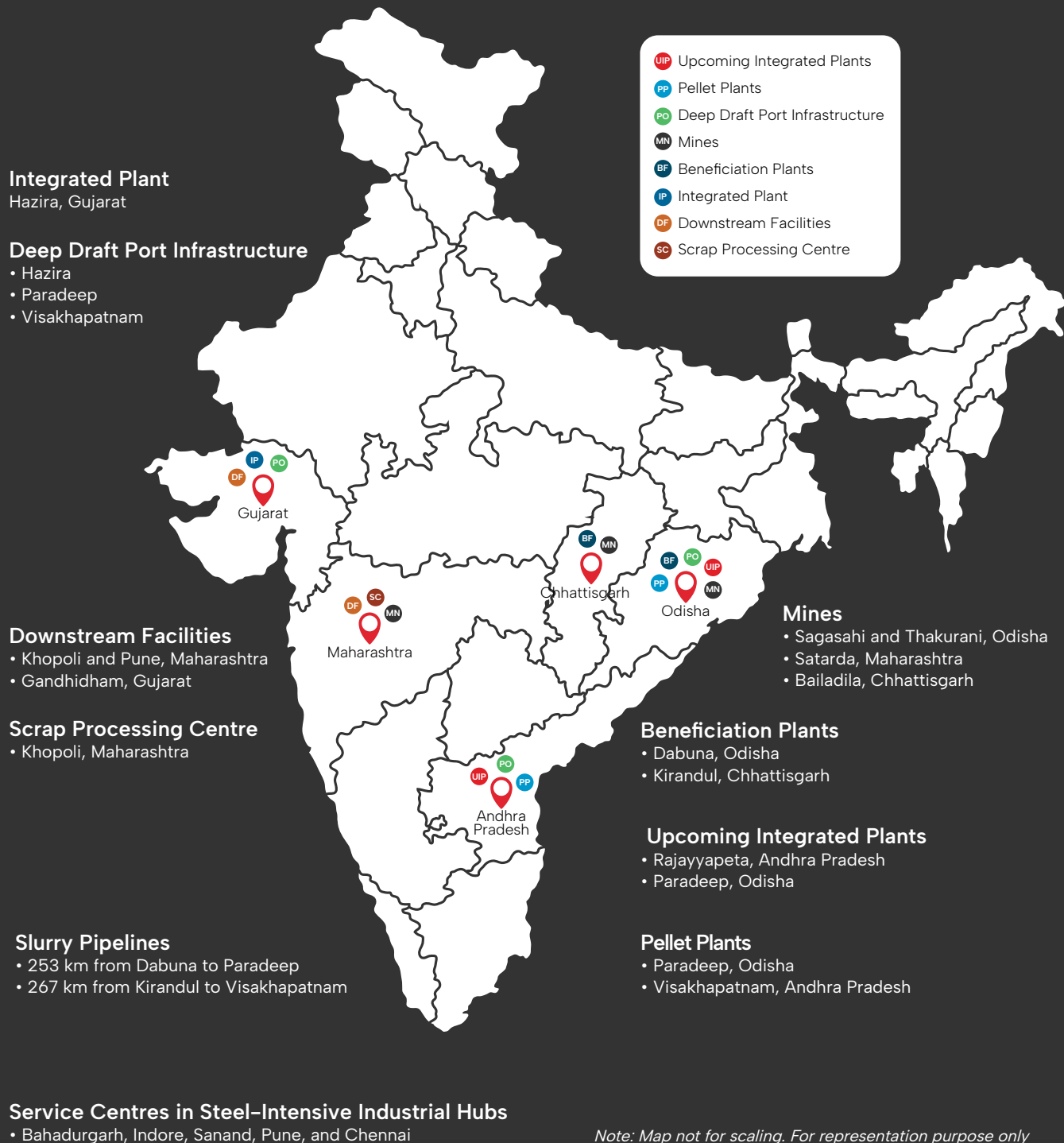


Debt-to-equity Ratio (x)**ROCE (%)****Net fixed assets
(₹ in Crore)**

AMNSI'S PRESENCE

AM/NS India's nationwide footprint reflects its integrated strength, from captive mines and beneficiation to advanced steelmaking and value-added distribution. With strategically located assets across mineral-rich belts, industrial corridors, and port cities, AM/NS India is uniquely positioned to support India's journey towards steel-led self-reliance with speed, scale, and sustainability.

Together, these interconnected locations form the backbone of AMNSI's fully integrated operations, powering its mission to deliver smarter, cleaner, and more resilient steel solutions for India and beyond.



PRODUCT PORTFOLIO

AM/NS India's product portfolio serves wide-ranging needs of customers across a broad spectrum of industries including Construction, Infrastructure, Automotive, General Engineering, Renewable Energy, Appliances, and Yellow Goods. Our focus on high performance, consistency, and adaptability makes our steel solutions trusted across critical applications.

These products are manufactured to stringent quality standards and engineered for strength, sustainability, and reliability.

Hot Rolled Steel

A versatile and cost-effective material used across construction, automotive, and industrial manufacturing for its strength and ease of fabrication.



Cold Rolled Steel

Preferred in applications requiring tighter tolerances and surface quality, such as home appliances, automotive components, furniture, and construction.



Pipes

Used in transporting water and gases, our pipes are valued for their strength and performance in construction and industrial applications.



Plates (PMP)

Known for their strength and durability, these plates serve industries such as construction, shipbuilding, and heavy machinery.



Coated Steels

These include galvanised and colour-coated steel, widely used in segments where corrosion resistance, durability, and aesthetics are key, including construction, automotive, appliances, and agriculture.



Optigal®

Optigal®

Developed through hot-dip galvanisation in a zinc-aluminium-magnesium alloy bath, Optigal® offers enhanced edge protection and superior corrosion resistance, making it ideal for pre-painted steel applications.

Magnelis

Magnelis®

A breakthrough metallic coating that delivers unmatched corrosion resistance. Comprising zinc, 3.5% aluminium, and 3% magnesium, Magnelis® ensures long-lasting protection even in highly aggressive environments.

While the majority of our offerings are standardised, we also develop application-specific and customer-centric solutions. This combination of scale and agility allows us to address unique requirements, particularly in focus segments like automotive. In 2024, we introduced two advanced coated steel products:

INDUSTRY APPLICATIONS

AM/NS India is at the forefront of delivering steel solutions tailored for diverse needs of multiple industries. Our advanced manufacturing processes, paired with robust R&D capabilities and a customer-centric approach, allow us to serve core sectors such as automotive, infrastructure, construction, energy, engineering, agriculture, and defence with precision and purpose.

Our product portfolio is built to meet a range of technical requirements—high strength, corrosion resistance, superior formability, and lightweight performance—ensuring that every application benefits from material efficiency and long-term durability.

Collaborating closely with clients, we've co-developed steel grades for critical use cases, especially for renewable energy and infrastructure projects in corrosive environments. Through a future-ready product strategy and continuous R&D investment, we are expanding our footprint in high-growth and emerging applications supporting India's ambitions in smart infrastructure, clean energy, and self-reliant manufacturing.

Key Application Areas:



Power & Engineering



Transportation & Mobility



Infrastructure & Urban Development



Defence & Security



Renewable Energy



Agriculture

MARKETING INITIATIVES

In 2024, AM/NS India launched a series of strategic marketing initiatives aimed at strengthening brand presence, enhancing customer engagement, and supporting the company's commitment to innovation and sustainability.

Product Launch Campaigns

To introduce its new-generation coated steel solutions, AMNS India conducted high-impact product launch events:

Optigal®: Unveiled at Grand Hyatt, Kochi



Magnelis®: Introduced at Jio Convention Centre, Mumbai

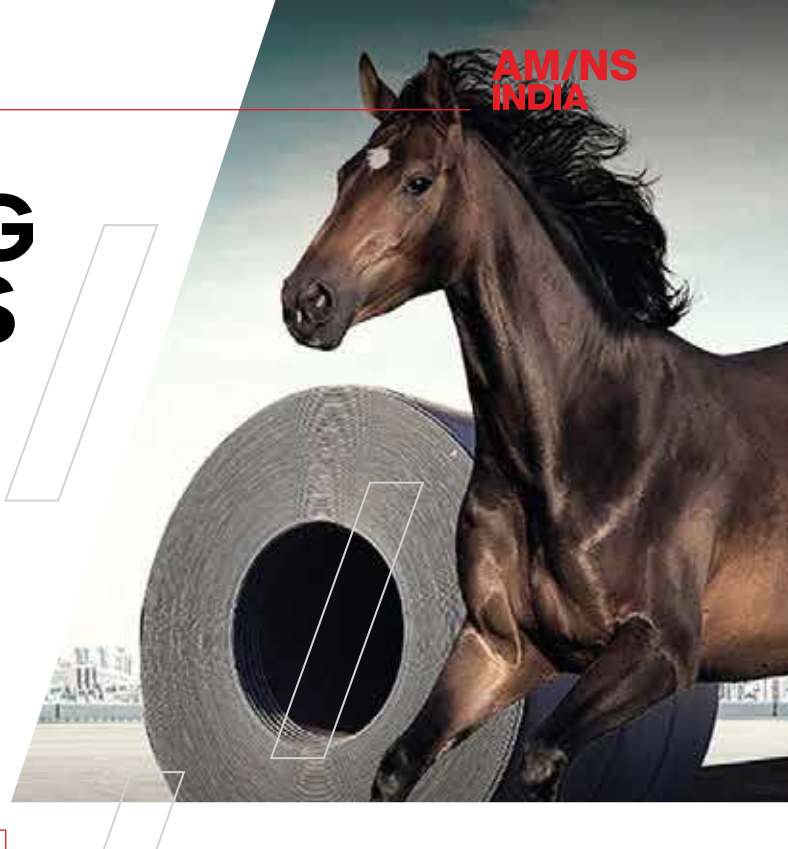


These launches created significant buzz among industry stakeholders and positioned AM/NS India as a leader in high-performance, corrosion-resistant steels.

Customer Engagement & Brand Communication

To deepen relationships and increase visibility at the grassroots level, the company rolled out a range of customer-centric campaigns:

- Retailer Meets and Fabricator Meets across key regions
- Star Steel Awards to celebrate excellence in the partner ecosystem
- On-ground activations such as van campaigns, wall paintings, dealer boards, and POS branding



- Industry magazine features and editorial campaigns

These initiatives reinforced brand trust and created a strong connect across the value chain.

Participation in Industry Events

AMNS India actively participated in several high-profile **conferences and industry forums**, aligning the brand with key trends and strengthening partnerships across core sectors.

Digital & CRM-Driven Outreach

To expand reach and modernise its customer interface, the company leveraged digital platforms:

Social media campaigns to build awareness and educate customers on product benefits

CRM systems and digital tools to offer value-added services and enhance ease of doing business

This integrated digital approach improved engagement while streamlining operations for customers.

Sustainability Communication

All branding and outreach efforts were designed to reflect AMNS India's commitment to **green steel transition** and responsible innovation. By highlighting sustainable product innovations like Magnelis® and Optigal®, the company advanced its positioning as a forward-thinking partner to industries aiming for lower environmental impact.

GROWTH & INNOVATION

AM/NS India is driving a transformative expansion of its steelmaking capabilities through a series of ambitious, future-ready projects that align with its core pillars of growth, innovation, and sustainability. These initiatives are designed to meet India's surging steel demand, strengthen the company's market leadership, and enable the shift to greener manufacturing.

Location



Hazira, Gujarat

Anakapalli, Andhra

Projects



Brownfield Expansion with downstream automotive facilities (CGL3, PLTCM, CGAL)

Greenfield Integrated Steel Plant (Phase I: Blast Furnace route)

Capacity



Status



Sustainable Manufacturing Initiatives

Scrap Recycling Facility (Maharashtra): The company has commissioned its first dedicated scrap processing unit, advancing circularity by reducing reliance on virgin materials and lowering carbon emissions.

Raw Material Security: With the acquisition of two high-grade iron ore mines in Chhattisgarh, AMNS India is strengthening its raw material base, ensuring long-term supply stability and cost efficiency.

Growth, Innovation & Sustainability

These projects directly support AM/NS India's long-term vision of:

Growth: Strategic investments across Gujarat and Andhra Pradesh are geared to meet rising demand from sectors like infrastructure, automotive, and defence.

Innovation: The company is deploying next-generation technologies, exploring green hydrogen, CCUS, and AI-driven digitalisation for process efficiency and product excellence.

Sustainability: Integration of renewable energy, expanded scrap usage, and alignment with India's Green Steel Taxonomy reinforce our commitment to decarbonisation and resource-efficient manufacturing.

Timely Execution & Risk Mitigation

A robust execution framework underpins these projects:

- Deployment of advanced project management tools and integrated planning systems

- Strategic contractor selection, performance-based contracts, and risk assessments at each project phase
- Investment in talent retention and incentivization to ensure high-performing project teams
- Alignment with government policies, environmental bodies, and local communities, ensuring timely clearances and social acceptance

Technology & Partnerships

AM/NS India is leveraging best-in-class technologies and global partnerships to maximise project scale and impact:

- EPC contracts with global leaders for advanced plant equipment
- Adoption of green steel technologies including DRI, CCUS, and renewable integration
- Use of AI, real-time digital monitoring, and predictive maintenance platforms
- Strategic collaborations with NSDC, NSIC, R&D institutions, and renewable energy developers
- Synergy with parent companies ArcelorMittal and Nippon Steel, unlocking global expertise, capital, and R&D networks



RESEARCH & DEVELOPMENT

At AM/NS India, research and development is a driver of differentiation and long-term value. Our R&D efforts are rooted in real-world applications, enabling us to anticipate customer needs, enhance product performance, and contribute to more sustainable and efficient steelmaking.

From developing advanced steel grades to securing new patents, we continue to invest in knowledge, technology, and talent that shape the future of steel.

HIGHLIGHTS OF FY 2024-25

18

new steel grades developed

4

import-substitute grades introduced

2

by-product valorisation initiatives

4

raw material research projects

3

mathematical modelling projects

FOCUS AREAS





PRODUCT DEVELOPMENT HIGHLIGHTS

Import Substitution Achieved

Steel grades developed for high-performance applications:

- API X80M PSL2 plates (22.23 mm) for LSAW pipes
- API X65MS and X52N PSL2 plates for line pipe use
- EN 10028-3 P355NL1/NH grade for pressure vessels

Hot & Cold-Rolled Innovations

- High-strength steels for agricultural equipment, wheel rims, and bearing housings
- Advanced hot-forming steels with improved toughness and fatigue performance
- New cold-rolled coated grades (S550GD, S450GD, SF80) for solar energy structures

Plate Developments

- Corrosion-resistant steels for exhaust stack applications
- Abrasion-resistant Rockstar 400 with -40°C impact toughness
- Sour-service compliant plates for ADNOC pipeline projects

Advanced Process Modelling

- CFD modelling for pulverised coal injection in blast furnaces
- OpenFOAM solver developed in-house for simulating sintering and BF processes
- AI/ML-based PCI rate prediction to support blast furnace optimisation

Raw Material Research

- Developed cold-bonded iron ore briquettes
- Improved pellet quality using patented organic binders
- Assessed performance of low-grade ores from NMDC mines
- Initiated studies on reduction roasting of iron ore fines

By-Product Valorisation

- Created low-cost bricks from iron ore tailings
- Improved quality of micro pellets (dust & sludge) to enhance sinter strength

Looking to the Future

Our R&D is increasingly aligned with national goals of self-reliance, import substitution, and environmental sustainability. Backed by global knowledge networks and state-of-the-art technology, AM/NS India's R&D function continues to build the foundation for a stronger, cleaner, and more innovative steel future.

PEOPLE OF AMNSI

Building Leaders. Creating Impact.

At AM/NS India, people are at the core of every milestone we achieve. Our vision for growth isn't just a business objective, it's a shared purpose that unites employees across functions, roles, and locations. We are committed to creating a workplace defined by capability, inclusivity, continuous learning, and collective ambition.

Leadership that Grows from Within

Our guiding philosophy, "Capability for Business, Career for Employees," shapes a robust leadership development strategy.

We have established a tiered suite of programs that develop leadership competencies aligned with organisational goals.

Leadership Programs



LEAD (Lead, Engage, and Develop Talent) – For senior leaders to build strategic foresight and people leadership skills.



LEAP (Learn and Excel to Achieve Progress) – Prepares mid-senior professionals for executive roles with targeted capability-building.



SUCCEED – Empowers mid-level managers to lead high-performing teams.



SEED – Supports first-time managers transitioning into team leadership with a focus on people management.

Driving further mobility and growth, initiatives like **Next Smarter Moves** and our dynamic promotion processes help talent evolve into agile, cross-functional leaders.

Onboarding Fresh Talent

We continue to bring in young professionals across technical and strategic roles, supported by real-time exposure, mentoring, and structured learning.



FY24 Onboarding Snapshot:



625 Graduate Engineer Trainees – with **28%** women



1,345 On Job Trainees – with **19%** women



19 Management, Executive & CA Trainees

A Culture of Diversity, Equity & Inclusion

Diversity at AM/NS India goes beyond representation, shaping how we think, work, and grow. Through our **STEEL SHEROS** initiative, women have been successfully deployed in B and C shifts, **21 at the Paradeep Pellet Plant and 41 at the Chennai Service Centre**, taking on critical operational roles.

We continue to challenge norms by hiring women in traditionally male-dominated roles such as crane operators, safety marshals, and security personnel. Our progressive maternity policy, **Together for Tomorrow**, provides flexible work arrangements, crèche facilities, and adoption leave, enabling women to thrive both personally and professionally.

Inclusion is also embedded through mandatory **POSH training**, location-specific internal committees, and **EthicsLine**, our confidential reporting platform for workplace concerns.

Engaging People with Purpose

We are cultivating a workplace culture where collaboration, growth, and trust flourish. Key initiatives include:

- Career mobility across functions and geographies
- **Learning Premier League** and Learning Week for gamified, accessible learning

- Access to AMU360, a digital platform with 40,000+ courses, webinars, and AI-enabled content
- A strong coaching culture focused on both performance and well-being

More than just a metric, employee engagement enables us to lead, communicate, and evolve together.

Living Our Values, Every Day

Our culture is brought to life through programs that reflect our core values and daily behaviour.



Believe in Zero safety campaign, guided by our motto Suraksha Jayate.



Aagman (onboarding program) and Life Saving Golden Rules embed safety and values



Mentor-Mentee Meets promote intergenerational learning and cultural continuity



PRAISE, our digital recognition platform, celebrates individuals and teams

FY24 Recruitment Snapshot



110 Engineering Colleges

308 Diploma Institutions

Across 19 states

Preparing for the Future

Our partnerships with leading academic institutions—including **XLRI Jamshedpur**, **BITS Pilani**, **IIT Bombay**, and the **IIMs**—and global experts like Korn Ferry, ensure our workforce stays ahead of the curve.

Our collaboration with **NAMTECH (New Age Makers' Institute of Technology)** bridges academia and industry, shaping talent for next-gen manufacturing.

As the industry evolves, we are ensuring our workforce evolves with it. Upskilling in digital tools, automation, AI, and data science is now seamlessly integrated into our learning architecture. From engineers to plant operators, every employee has access to learning that enhances both technical capability and career growth.

We are building a culture of excellence, inclusion, and continuous learning while we forge steel for the nation.



SAFETY AT AMNSI: A NON-NEGOTIABLE PRIORITY

At AM/NS India, safety goes beyond compliance requirement, it is a deeply embedded core value that underpins every operation. Guided by the principle of being “Interdependently Safe” and driven by the vision to “Make Zero Happen”, the company upholds an uncompromising commitment to health and safety (H&S) across all operations.

Our Safety Framework

In FY 2024–25, AM/NS India further strengthened its safety framework by reinforcing policies, upgrading systems, and deepening engagement with employees and contractors. Every task is preceded by robust hazard identification, risk assessment, and the implementation of control measures to reduce risks to ALARP (As Low As Reasonably Practicable) levels.



Core Practices:



ISO 45001 H&S
Management System
implemented



Permit-to-Work
system for all
non-routine activities



Safety Policy signed by
the CEO and displayed
across workspaces



Toolbox Talks before
every shift
involving supervisors



Hazard Identification & Risk
Assessment (HIRA) for
all tasks



Trained and competent
personnel engaged for
high-risk activities



Regular review of
Safe Operating
Procedures



QR code system for
safety procedures and
training materials

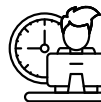
Safety in Daily Workflows



“Make Zero Happen”
goal cascaded across
all levels



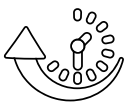
20% weightage on
Safety in Junior
Management KPIs



Daily behavioural
monitoring by supervisors



REX Portal for real-time
incident/near-miss
reporting



Last-Minute Risk
Assessments (LMRA)
before job execution



Routine housekeeping
and tool inspections with
colour coding



Safety protocols integrated
into tender documents
and work orders



Key Safety Initiatives (FY 2024–25)

- One Safety Culture: Rolled out across all assets
- Permit 2.0: Digitised hazard assessment system
- Safety Tech Enhancements:
 - Anti-tilting devices in dumpers
 - Reversing cameras and alarms in large vehicles
 - No-touch tools/machine guards in high-risk areas
 - Audio-visual warnings in crane and MEWP zones
 - Dielectric painting around MCC panels
 - “Lakshman Rekha” safety lines marked on floors
 - Epoxy-coated pedestrian walkways

Employee & Contractor Engagement

- Contractor HSE screening during tendering stage
- Pre-deployment training
- Daily Toolbox Talks involving supervisors
- Training on “10 Life-Saving Golden Rules”
- Weekly safety reviews at project sites
- Active participation in safety and awareness drives
- “Sujhav” – Feedback & suggestion platform

Events Observed



National Safety Day



Fire Services Week



World Safety Day



Road Safety Week



World Environment Day

Monitoring, Reporting & Continuous Improvement

- Weekly reviews of Leading/Lagging indicators by top leadership
- REX Portal for all incident severity levels including PSIFs
- Comprehensive incident tracking, including PSIFs, via REX Portal
- Daily H&S KPI reports circulated to all employees
- Best practices and policies shared via SharePoint intranet
- Monthly H&S reports published and submitted to stakeholders
- Data-driven trend analysis and horizontal deployment of best practices
- Audits conducted by internal, cross-functional, and group teams

Embedding Safety into Our DNA

At AM/NS India, safety is a shared mindset that defines how we operate, collaborate, and grow. By integrating safety into every layer of our operations and culture, we are building a workplace where health, vigilance, and accountability are second nature. Our people-first, and tech-forward approach ensures that safety remains an intrinsic value embedded deeply into the DNA of our people and our processes.



SUSTAINABILITY AT AMNSI: PROGRESS WITH PURPOSE

Sustainability is deeply embedded in AM/NS India's growth strategy. We view it not as a separate function, but as an essential lens through which we evaluate every decision, from the raw materials we source to the technologies we adopt and the communities we serve.

STRATEGIC FOCUS

- Two Core Pillars:

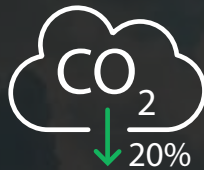
Decarbonisation



Circular economy



- Target: 20% reduction in carbon emission intensity by 2030 (vs 2021 baseline)



- Long-term goal: Net-zero emissions



- Sustainability drives value creation for communities, employees, investors, and customers



CIRCULAR ECONOMY IN ACTION

- 4R Strategy



- Scrap usage steadily increasing to boost resource efficiency



- Steel slag repurposed for roads, tetra pods, and cement



SUSTAINABLE MANUFACTURING & PRODUCTS

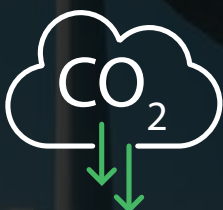
- Eco-Friendly Steel: Magnelis®, Optigal®
- Green Technologies:
 - Direct Reduced Iron (DRI) using natural gas
 - Electric Arc Furnaces (EAF)
 - Conarc furnaces
- Prepping for green hydrogen-based steelmaking

RESPONSIBLE SUPPLY CHAIN

- Ethical sourcing through responsible supply chain policy
- Emphasis on transparency, fair practices, and vendor trust
- Energy audits, digital tracking, zero liquid discharge, and continuous emissions monitoring integrated across operations

ENVIRONMENTAL IMPACT: GOALS & PROGRESS

- CO₂ Emissions:
 - Over 33% reduction since 2015
 - Current intensity: 2.17 tCO₂/t (14% below India average)
- Water Conservation:
 - 12% reduction in freshwater use
 - 189 million litres rainwater harvested



- Renewables:
 - 17.3% of energy from renewable sources
 - Adding 1 GW renewable power annually until 2030



- Biodiversity & Waste:
 - 12,000+ trees planted
 - 35,000 saplings distributed
 - 10% wastewater recycled
 - 4.2% scrap utilization



COLLABORATIONS & ENGAGEMENT

- Stakeholders: Government bodies, NGOs, research institutes, vendors, and customers
- Industry Associations: World Steel Association, Responsible Steel
- CCS research partnership with IIT Bombay

EMPLOYEE INVOLVEMENT

- Project Vikrant: Citizen Developer Program
- Robotic Process Automation (RPA) for logistics & invoicing
- Training & awareness on Environment and Energy Days

INNOVATION FOR A GREENER FUTURE

- Investment in R&D for new steel grades, resource strategies, and by-product management
- Exploring:
 - Hydrogen-based steelmaking
 - Carbon Capture, Utilization, and Storage (CCUS)
 - Biofuels like biochar and biomass
- Digital platforms for energy and emissions monitoring

CSR AT AMNSI: CREATING SHARED VALUE

Corporate Social Responsibility is a fundamental part of how we contribute to nation-building and inclusive development. Our CSR efforts align closely with national development goals, focusing on uplifting communities, especially marginalised groups such as women, girl children, unemployed youth, and Scheduled Castes and Tribes, in the regions where we operate.

Focus Areas & Strategic Alignment

Our CSR initiatives span six key domains:

1. Health
2. Education
3. Livelihood and Skill Development
4. Sports and Culture
5. Community Infrastructure Development
6. Environment Conservation

These areas are identified through rigorous need assessments, stakeholder consultations, and community engagement, ensuring relevance and responsiveness. Each initiative is aligned with the United Nations Sustainable Development Goals and adheres to Schedule VII of the Companies Act, 2013. Our CSR programs are governed by a dedicated Board-level CSR Committee to ensure strategic alignment with business goals and ethical compliance.

CSR is integrated into our core business strategy, embedded within site-level plans, and supported by professional teams across all locations. It ensures that our social investments contribute meaningfully to both community well-being and long-term business sustainability.

HEALTH & WATER

Project Aarogya

6.6 lakh+ beneficiaries

Essential healthcare services



Project Trupti

Delivered 12 lakh+ litres daily

Clean drinking water to underserved villages



HIGHLIGHTS (FY 2024–25)



Digital Pathashala: 100 AI-enabled smart classrooms set up in government schools, enhancing access to digital education.

Beti Padhao Scholarship

Over 1,500 underprivileged girls

supported for higher education

Educational Initiatives

7.1 lakh+ students

empowered across India

LIVELIHOOD & SKILLS

Project Daksh

1,600 youth

trained in partnership with NSDC and Nasscom (70% placement rate)

- Centre of Excellence, ITI Paradeep: Addressing skill gaps in manufacturing and construction.
- Project SAFAL: Supported 2,000+ farmers with on-farm and off-farm initiatives.
- 1,600+ women trained in tailoring and beauty skills.
- 20+ micro-enterprises established across sectors including biogas, jute, poultry, and PPE.

ENVIRONMENT

- Project Ujjwala: Transformed Sagasahi village into a fully solar-powered community; awarded the Gram Urja Swaraj Vishesh Panchayat Puraskar 2024.
- Project Green: 1.5 lakh mangroves cultivated this year; total of 23 lakh mangroves planted across 900 hectares.



SPORTS & CULTURE

- Benefited 2.4 lakh+ individuals.
- High-Performance Centres trained elite athletes in gymnastics and kho-kho; athletes won medals at national and international levels, including the Kho-Kho World Cup 2025.



COMMUNITY INFRASTRUCTURE

Project Nirman

6.4 lakh people

Positively impacted through construction and renovation of community assets

MEASURING SUCCESS

Impact is measured through robust Key Performance Indicators (KPIs), outcome-based metrics, and third-party assessments such as Social Return on Investment (SROI). These include:

- Increase in income and employment
- Enhanced access to education and healthcare
- Participation in international sports
- Sustainable use of resources and replicable models

Continuous monitoring, stakeholder feedback, and partnership effectiveness further ensure that every project delivers meaningful, measurable, and lasting value.

STAKEHOLDER & EMPLOYEE ENGAGEMENT

We cultivate a culture of social responsibility by:

- Encouraging employee volunteering (1,200+ hours contributed)
- Collaborating with NGOs, governments, and academic institutions
- Hosting awareness campaigns on health, environment, and safety
- Maintaining transparency and accountability through regular reporting

AWARDS: RECOGNISED FOR EXCELLENCE

The year 2024/25 has been a momentous one for AM/NS India, marked by multiple prestigious accolades that reflect our unwavering commitment to excellence, innovation, and sustainability.

These awards reaffirm our leadership in innovation, digital transformation, financial stewardship, and sustainable growth, setting benchmarks across the steel and manufacturing ecosystem.

The Wings of Steel by Indian Steel Association

(Delhi, 5 Sept 2024)

Ms. Anjali Kumari, Section Head – TCG, Hazira, was honoured in the Gender and Diversity category for championing inclusivity and empowering women

Award of Excellence 2023–24 by Tata Hitachi

Recognised for Consistent Performance in Delivery across all steel mills, strengthening our role as the sole supplier of heavy plates for Tata Hitachi.

Sustainability Recognition by BHEL Samvaad 4.0

(New Delhi, 26 Nov 2024)

Felicited by Hon'ble Minister Shri H.D. Kumaraswamy for pioneering eco-friendly practices and reducing environmental impact in the steel industry.

Triple Honour at QuPID Manufacturing Conclave 2024 by Pro | MFG Media

(Pune, 14 Nov 2024)

Awarded for Quality Benchmarks, HSE Innovation, and Excellence in Plant Maintenance, acknowledging our teams at Hazira, Paradeep, and Pune for raising the bar in manufacturing standards.

CFO of the Year by CII

(New Delhi, 19 Sept 2024)

Mr. Amit Harlalka received this honour in the Industrial Manufacturing category at the 3rd edition of the CFO Excellency Awards, recognising financial leadership and excellence.

CII DX Award 2024 for Program Vikrant

(New Delhi, 27 Nov 2024)

Honoured for our Citizen Development Program, empowering non-IT staff to build critical tech solutions using Robotic Process Automation.

Industrial Innovation Awards 2024 by CI

(New Delhi, 13 Dec 2024)

Recognised among the Top 75 Innovative Companies in India, with five distinct awards across our facilities.

Overall Cost Excellence 2024 by Volvo Eicher Commercial Vehicles (VECV)

A testament to our commitment to innovation, cost-efficiency, and import substitution, aligned with the vision of Atmanirbhar Bharat.

Special Jury Appreciation Award by Indian Chamber of Commerce

(Kolkata, 12 Mar 2025)

Recognised for Digital Pathshala, our AI-enabled smart classroom initiative transforming education in government schools across five Indian states.

Climate Action Program (CAP) 2.0 Award 2024 by CII

Acknowledged at the Oriented level for catalysing sustainable transformation in the Energy, Mining, and Heavy Manufacturing sectors.



EVENTS: BUILDING MEANINGFUL CONNECTIONS

Meaningful engagement is the foundation of meaningful impact. Throughout the year, AM/NS India marked several significant milestones and industry-first launches that underscore our commitment to innovation, growth, and stakeholder engagement. These events highlight our progress in product development, capacity expansion, and leadership in steel solutions across diverse sectors.

Optigal® Launch

August 18, 2024 | Kochi

AM/NS India unveiled Optigal® at a spectacular event held at the Grand Hyatt, Kochi. The launch featured an engaging LED interactive presentation showcasing the product's unique features and applications, culminating in a dramatic drone unveiling and ribbon-cutting ceremony led by CEO Mr. Dilip Oommen and Director & VP Mr. Ranjan Dhar. The event included technical presentations, product displays, and distribution of promotional kits, reinforcing Optigal®'s market readiness backed by international certifications.

Magnelis® Launch

September 18, 2024 | Mumbai

The revolutionary Magnelis® product was launched at the Jio World Convention Centre, Mumbai, attracting industry experts, customers, and dignitaries. Prof. Anand Khanna demonstrated its superior performance through live testing, while ArcelorMittal's Global R&D Portfolio Director, Mr. Oliver Brun, highlighted Magnelis®'s strategic importance in India and Europe. A panel discussion on 'The Future of Zn-Al-Mg Alloy Coatings' explored its potential to transform multiple industry sectors.

Investors & Analyst Event

September 24-25, 2024 | Mumbai & Hazira

ArcelorMittal hosted an exclusive investor and analyst day at the Hazira plant, offering an insightful look into AM/NS India's four-year progress and ambitious growth plans. Delegates toured the facility and engaged in detailed presentations and Q&A sessions with leadership including CEO Dilip Oommen and Chairman Aditya Mittal. The event showcased the ongoing expansion towards a 40-million-ton annual steelmaking capacity.

Bauma Conexpo

December 11-14, 2024 | Greater Noida

At the premier construction equipment exhibition, AM/NS India highlighted its advanced steel products tailored to elevate the performance and durability of construction machinery.

AM/NS India Fifth Anniversary

December 16, 2024 | All AM/NS India Locations

Marking five years of excellence, AM/NS India celebrated with a unified company-wide event themed #CelebratingTheSteelWithin. Offices were adorned with festive decor, and leadership shared heartfelt reflections through email messages. The highlight was a simultaneous cake-cutting ceremony across all locations, connected via video conference.

Utkarsh Odisha – Make in Odisha Conclave 2025

January 28-31, 2025 | Bhubaneswar

Participating in Odisha's flagship global investors' meet, AM/NS India contributed to discussions and networking sessions aimed at positioning Odisha as a premier global investment destination. The event featured plenary sessions, sector-specific dialogues, and a high-profile visit by the Prime Minister.

Bharat Mobility Global Expo

January 17-22, 2025 | Delhi

AM/NS India showcased its upcoming product portfolio featuring both physical components and innovative digital solutions, emphasising its commitment to mobility sector advancements.

International Rope Access Symposium

February 7, 2025 | Hazira

In partnership with IRATA International, AM/NS India hosted the prestigious International Rope Access Symposium at its Hazira plant, focusing on advancing workplace safety standards. The event attracted government officials and industry leaders from major companies, promoting innovative rope access technologies to enhance 'Work at Height' safety.

InfraBuild India

February 18-19, 2025 | Mumbai

As a Silver Sponsor, AM/NS India highlighted its flagship products Magnelis® and Optigal® at the InfraBuild India conference, underlining their critical role in infrastructure development through sustainable and high-performance steel solutions.

BOARD OF DIRECTORS

The Board of Directors at AM/NS India brings together a diverse group of seasoned leaders from across the global steel industry. With deep expertise in operations, strategy, and governance, the Board plays a vital role in guiding the company's vision, ensuring accountability, and driving long-term value creation.



Aditya Mittal,

Chairman

Aditya Mittal is CEO of ArcelorMittal and Chairman of ArcelorMittal Nippon Steel India. Since ArcelorMittal's formation in 2006, he has led major operations in Europe and the Americas and served as President and CFO before becoming CEO in 2021. A Wharton graduate, he has been recognized in Fortune's "40 under 40" and CNBC's "European Business Leader of the Future."

A philanthropist, he supports child health through the Mittal Children's Medical Centre and UNICEF India. He also serves on the boards of ArcelorMittal, Aperam, HMEL, Iconiq Capital, and is a Trustee of the Brookings Institution.



Dilip Oommen

Director and CEO

Dilip Oommen is the CEO of ArcelorMittal Nippon Steel India and a member of its Management Committee. Having garnered over 35 years of industry experience, he joined Essar Steel in 2003 and became CEO of AM/NS India in 2019. In 2020, he was elected President of the Indian Steel Association (ISA), which represents major public and private sector steel producers in the country.

His international exposure includes leadership roles at Hadeed, Saudi Arabia. Oommen has served as President of the Indian Steel Association and Co-Chair of FICCI's Steel Committee. He holds a degree in metallurgical engineering from IIT Kharagpur.



Bradley Llyod Davey,

Director

Bradley Davey is Head of Corporate Business Optimisation at ArcelorMittal, overseeing functions including CTO, R&D, capital goods, communications, corporate responsibility, and global automotive. He also manages automotive joint ventures in China and India and serves as Vice Chairman of the Investment Allocation Committee. Brad joined ArcelorMittal Dofasco in 1986. He became VP of ArcelorMittal Dofasco and CMO for North America Flat Rolled, then Head of Global Automotive in 2016.

Prior to his current role, he was CEO of ArcelorMittal North America from 2018. He holds a Bachelor of Engineering degree from McMaster University.



Prabh Das

Director

Prabh Das, MD & CEO of HMEL, has over 38 years of experience in the IAS and oil & gas industry. Formerly Joint Secretary at the Ministry of Petroleum, he led key reforms like the Auto Fuel Policy and strategic oil storage. He played a pivotal role in forming HPCL-Mittal Energy and developing it into a 11.3 MMTPA refining and petrochemical complex.

He has served on boards of IOCL, HPCL, and CPCL. Das holds a B.Tech. from IIT Kharagpur, an MBA from Southern Cross University, and is an IPMA Certified Project Director.



Genuino Christino

Director

Genuino Christino is Executive VP and Group CFO, and a Group Management Committee member at ArcelorMittal. He oversees global finance including treasury, corporate finance, accounting, insurance, investor relations, M&A, legal, and IT. A member of the Group Management Committee since 2021, he previously served as Head of Finance, chairs the Corporate Finance and Tax Committee and sits on the Investment Allocation Committee.

Before joining ArcelorMittal in 2003, he worked with KPMG in Brazil and the UK. He holds degrees in accounting and business administration from Universidade Paulista and an Executive MBA from Fundação Dom Cabral, Brazil.



Takahiro Mori

Director

Takahiro Mori is EVP and Representative Director at Nippon Steel Corporation. Since joining in 1983, Mori has led global marketing and corporate planning. He earned his MBA from the Wharton School in 1992. Between 2002 and 2013, Mori led the Global Marketing and Corporate Planning division, becoming Executive Officer, Vice Head of Flat Products in 2014.

From 2016 to 2020, he served as Executive VP at Usiminas, Brazil. Returning to Japan, he led the Plate, Pipe & Tube Unit and currently heads Global Business Development. Mori holds a law degree from the University of Tokyo.



Ichiro Sato

Director

Ichiro Sato is Executive Officer at Nippon Steel Corporation, where he leads Global Business Development as Vice Head and serves as Deputy Project Leader for the India Iron and Steel Project. Since joining in 1986, he has served in HR development, administration at Kimitsu Works, and global support functions. Between 1997 and 2011, he worked extensively in Human Resource Development.

In 2017, he became Executive Counsellor to the Global Business Development team, followed by his appointment as Executive Officer in 2018. Sato holds a Bachelor's degree in Economics from Keio University, Tokyo.



Yoshiaki Kusuvara

Director

Yoshiaki Kusuvara is General Manager at Nippon Steel Corporation, with deep experience in managing international business and overseas operations. Since joining in 1993, he has held roles in general administration, production scheduling, and marketing across Japan and Thailand. Between 2015 and 2016, he was posted to a Nippon Steel subsidiary in Thailand.

Upon returning to Japan, he held senior roles in the Flat Products Global Marketing division and General Administration at Kimitsu Works. In 2022, he was appointed General Manager of the India Iron and Steel Project. Kusuvara holds a Bachelor's degree in Economics from Osaka University.



Keiji Kubota

Director

Keiji Kubota is General Manager at Nippon Steel Corporation and oversees the India Iron and Steel Project. He joined the company in 1994, gaining expertise in administration, sales, and global operations. Kubota served as Manager of Oita Steel Works' administration division and later led automotive flat product marketing in Tokyo.

From 2012 to 2016, he worked in India, heading sales and marketing at Nippon Steel India. After returning to Japan, he worked with the Global Business Support Centre before taking on his current role in 2019.



Hiroo Ishibashi

Director

Hiroo Ishibashi is General Manager at Nippon Steel Corporation and has over 30 years of experience in plant engineering and technical planning. He joined the company in 1992 and rose through various technical roles at Kimitsu Works. He became Senior Manager of the Equipment Division in 2001 and later led Production and Technical Control, Technical Administration & Planning, and Equipment divisions.

In 2021, he was appointed General Manager of Plant Engineering and Facility Management Centre. Ishibashi holds a Master's degree in Engineering from Kyushu Institute of Technology.



Kalyan Ghosh

Director

Kalyan Ghosh is CFO of ArcelorMittal India Private Limited, based in New Delhi. A commerce graduate from St. Xavier's College, Kolkata, and a Chartered Accountant, he began his career at PwC in 1983. He worked with INDAL and its subsidiary INDAL Electronics (later AT&S India) before joining OKS Lubricants. In 2004, he moved to the Caribbean as GM-Finance at Caribbean Ispat Ltd., which became part of Mittal Steel and later ArcelorMittal Point Lisas.

He served as CFO there until 2011. Ghosh brings deep financial expertise from global operations, spanning India, Austria, and the Caribbean.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel at AM/NS India comprise experienced professionals who lead the company's core functions. With proven expertise in finance, compliance, and operations, they play a pivotal role in executing strategy, ensuring regulatory adherence, and driving day-to-day excellence across the organisation.



Dilip Oommen

Chief Executive Officer

Dilip Oommen is the Chief Executive Officer of AM/NS India and a member of the company's Management Committee. With over 35 years of experience in the global steel industry, he brings deep technical, operational, and strategic expertise to his leadership role.

He joined Essar Steel (now AM/NS India) in 2003 as COO and was appointed CEO in 2019. Playing a prominent role in shaping industry policy, he's served as President of the Indian Steel Association (ISA) and Co-Chair of FICCI's Steel Committee, among other leadership forums. A qualified metallurgical engineer, he holds a degree from IIT, Kharagpur.



Amit Harlalka

Chief Financial Officer

Amit Harlalka serves as the Chief Financial Officer at AM/NS India, where he leads the company's financial strategy and operations. With a robust background in corporate finance, treasury, and strategic planning, he plays a pivotal role in steering the organisation's financial health and growth. In recognition of his outstanding contributions, Amit was honoured with the prestigious CFO of the Year Award in the Industrial Manufacturing Sector at the 3rd Edition of the CFO Excellence Awards 2023-24.

Beyond his role at AM/NS India, Amit holds directorship positions in several affiliated companies.



Sonal Tiwari

Company Secretary

Sonal Tiwari is the Company Secretary of AM/NS India, bringing over 22 years of extensive experience in corporate governance, legal compliance, and secretarial functions. An associate member of Institute of Company Secretaries of India (ICSI), she holds a Bachelor of Law and a Master's degree in Commerce from Amravati University.

Before joining AM/NS India, Sonal has held leadership roles at Bajaj Finserv, PI Industries, Edelweiss Securities, Rajkumar Forge, TAL Manufacturing and Maharashtra State Seeds Corporation. In her current role, she heads at AMNS group level, compliance with corporate law, advises the Board on governance matters, and facilitates effective communication between the management and stakeholders.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Aditya Mittal

Chairman

Prabh Das

Director

Bradley Lloyd Davey

Director

Takahiro Mori

Director

Yoshiaki Kusuhara

Director

Hiroo Ishibashi

Director & Vice President – Technology

Dilip C. Oommen

Director & CEO

Genuino Christino

Director

Kalyan Ghosh

Alternate Director

Ichiro Sato

Director

Keiji Kubota

Alternate Director

FINANCE SUB-COMMITTEE

Dilip Oommen

Director & Chief Executive Officer

Amit Harlalka

Chief Financial Officer

Hiroo Ishibashi

Director & Vice President, Technology

Akiyo Omori

Deputy Director, Finance

ASSURANCE REVIEW COMMITTEE

Prabh Das

Director

Christino Genuino

Group CFO, ArcelorMittal

Ichiro Sato

Director

Yoshiaki Kusuhara

Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Prabh Das

Director

Bradley Llyod Davey

Director

Ichiro Sato

Director

Yoshiaki Kusuhara

Director

CHIEF FINANCIAL OFFICER

Amit Harlalka

COMPANY SECRETARY

Pankaj S. Chourasia

REGISTERED OFFICE

"AMNS House", AMNS Township
27th KM Surat Hazira Road, Dist: Surat, Gujarat – 394270
Tel: +91 261 6689200 / 6689100 / +91 22 69889999
Email: pankaj.chourasia@amns.in
CIN: U27100GJ1976FLC013787

CORPORATE OFFICE

6th & 7th Floor, Raheja Tower,
Plot C-30, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051. Maharashtra, India
Tel: +91 22 69889999

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

Data Software Research Company Pvt. Ltd.

Unit: ArcelorMittal Nippon Steel India Limited
19, Pycrofts Garden Road, Off Haddows Road,
Nungambakkam, Chennai – 600 006.
Tel: +91 44 2821 3738, 2821 4487
Fax: +91 44 2821 4636
E-mail: amns@dsrc-cid.in
Website: <http://www.amns.in>

NOTICE OF THE 49th 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. 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.

6. SPECIAL BUSINESSES:

7. 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 Smit Manubhai & Associates (FRN No : 002158), 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

Place: Mumbai
Date: July 26, 2024

27 km, Surat Hazira Road,
Dist. Surat, Gujarat – 394270

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

Smit Manubhai & Associates (FRN No : 002158), 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, 2025.

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

3. Yoshiaki Kusahara

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

Disclosures with respect to appointment of Mr. Yoshiaki Kusahara:

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)

- 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		

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.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
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								

Investment Sub-Committee

This Committee by the virtue of powers conferred by the Board, takes decision on investing the funds of a company and/or granting loans for enhancing flexibility of working, accelerated decision making in the true spirit of the law. The composition of the Committee consists of Board members and Key Managerial Personnels and this Committee met thrice in the Financial Year 2023-24 on 28.04.2023, 05.09.2023 and 09.11.2023.

Assurance Review Committee

This Committee recommends the appointment of auditors, reviews internal audit reports and financials to be adopted by the Board. The composition of the Committee consists of Board members and this Committee met four times in the Financial Year 2023-24 on 15.05.2023, 11.09.2023, 07.12.2023 and 22.02.2024.

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:

- 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.
- 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;

- 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.
- the annual accounts of the Company have been prepared on a going concern basis.
- 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.
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

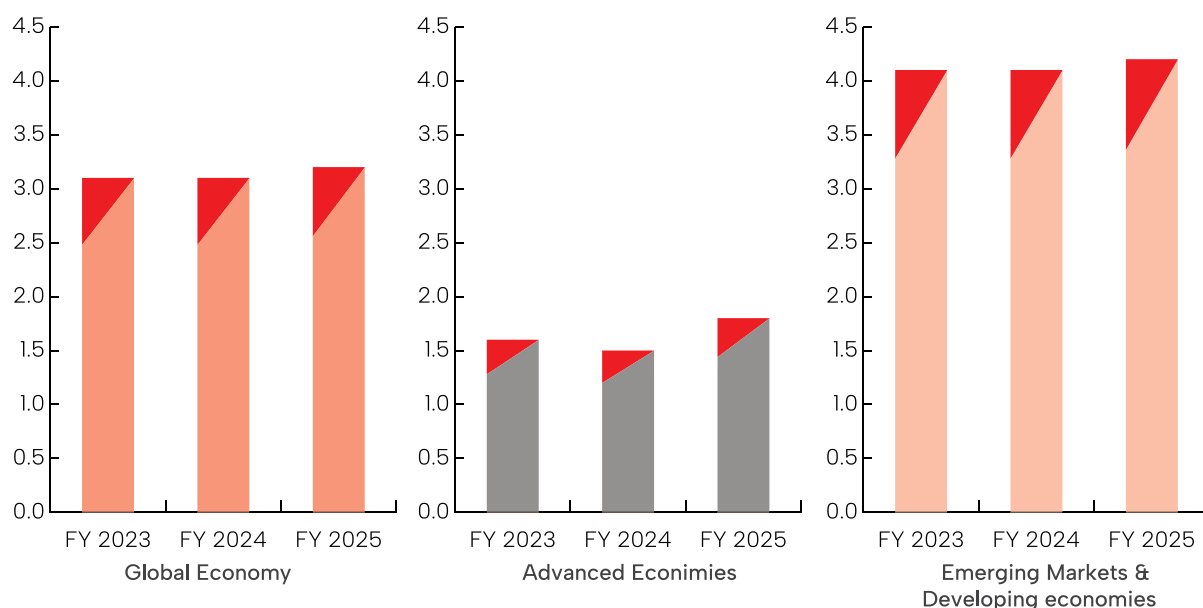
c. ANNUAL EVALUATION OF DIRECTORS, COMMITTEES AND BOARD (PURSUANT TO SECTION 134(3)(p)).

The Board has undertaken the Annual Evaluation of its own performance as well as the working of the Committees of the Board, Nonexecutive 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

Growth Projections



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.

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.

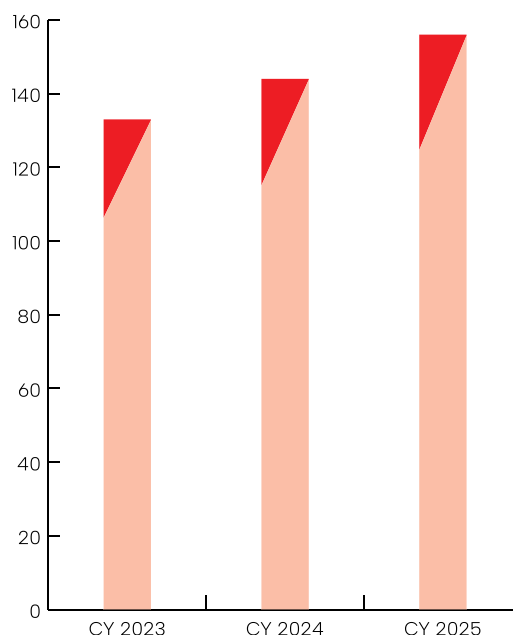
Indian economy continues remain robust and resilient amid evolving global dynamics. GDP in FY 2023-24 grew at 8.2% on the back of significant manufacturing growth. Most economists believe the growth momentum is likely to continue going forward. India remains one of the fastest growing economies of the 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

Total Indian Steel Demand (MTPA)

(SOURCE-WSA)



(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 India 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.

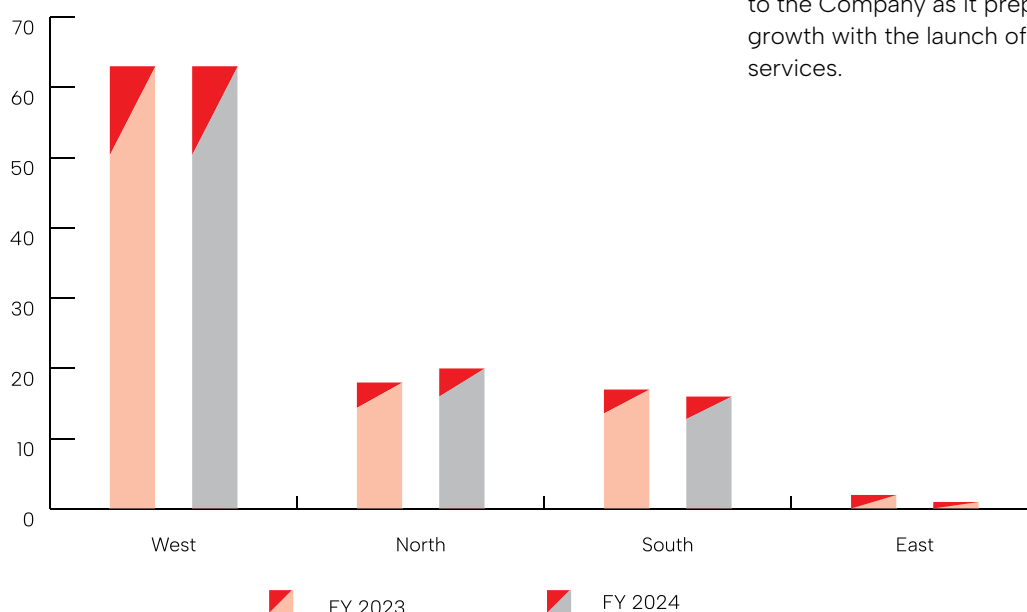
In the International market, the sales volumes for AM/NS were primarily targeted to EU region (80% of the Export sales).

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:

- 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. Under the Product Focus initiative, a Go to Market strategy was implemented with specific focus on distribution of Coated Products. Segment focus initiatives were undertaken to increase the share of business with the customers targeted within that segment.
- 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.

Domestic Market–Regional Distribution



- c. 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.
- a. 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 capsized 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 capesized 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 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)(I) 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 paidup 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. It will be ₹ 80,000,00,00,000 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.

1. 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		

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.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
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								

newwww--stment Sub-Committee

This Committee by the virtue of powers conferred by the Board, takes decision on investing the funds of a company and/or granting loans for enhancing flexibility of working, accelerated decision making in the true spirit of the law. The composition of the Committee consists of Board members and Key Managerial Personnels and this Committee met thrice in the Financial Year 2023-24 on 28.04.2023, 05.09.2023 and 09.11.2023.

Assurance Review Committee

This Committee recommends the appointment of auditors, reviews internal audit reports and financials to be adopted by the Board. The composition of the Committee consists of Board members and this Committee met four times in the Financial Year 2023-24 on 15.05.2023, 11.09.2023, 07.12.2023 and 22.02.2024.

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:

- 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.
- 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;

- 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.
- the annual accounts of the Company have been prepared on a going concern basis.
- 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.
- 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, Nonexecutive 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.

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 whistleblower 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 nonretaliation 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

Standalone Financial Statement:

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

Smit Manubhai & Associates (FRN No : 002158), Cost Accountants have been reappointed as the Cost Auditors of the Company for the FY 2023-24 for all applicable Product Groups. The Cost Audit report for the FY 20232024 will be filed within the stipulated period of 180 days from the closure of financial year pursuant to provisions of Companies Act, 2013. Furthermore, the Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and accordingly such accounts and records are made and maintained.

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' subpara (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 requisite quorum.

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%, Nonconvertible

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
Director & CEO

DIN: 02285794

Date: July 26, 2024
Place: Mumbai

Hiroo Ishibashi
Director and Vice President
(Technology)
DIN: 10581262

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	Rs 83.37/\$	Rs 83.37/\$	Rs 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%	97.78%	97.78%	97.75%	100%	97.78%

Sl. No.		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	Rs 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)

- Two percent of average net profit of the Company: NIL
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- Amount required to be set off for the financial year, if any: NIL
- 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		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)		Yes	Gujarat, Odisha, Chhattisgarh, Andhra Pradesh, Maharashtra	Surat, Keonjhar, Sundargarh, Malkangiri, Dantewada, Sukma, Visakhapatnam, Jagatsinghpur, Kendrapara	3 years	2.0	1.81	0	Yes		

(1)	(2)		(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project		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.
2	Project Arogya (Health Initiative – Mobile Medical Unit)		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)		Yes	Odisha	Sundargarh	3 years	0.24	0.20	0	No	Punarathan Voluntary Organisation	CSR00000650
4	Project PadhegaBharat (Education Initiatives– Learning and teaching materials, upgradation,		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)		Yes	Odisha	Malkangiri, Jagatsinghpur, 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)		Yes	Odisha Pradesh, Haryana	Keonjhar Visakhapatnam Pune, Dhar, Jhajjar	3 years	0.08	0.08	0	No	Ramadevi Village Development Organization	
7	Project Digital Pathashala		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

(1)	(2)		(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project		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.
8	Project Beti Padhao Scholarship		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)		Yes	Gujarat, Odisha,	Surat, Jagatsinghpur	3 years	2.29	0.72	0	No	BAIF	CSR0000025 9
10	Project SAFAL (Livelihood Initiatives, Income generation program)		Yes	Odisha	Jagatsinghpur	3 years	0.13	0.04	0	No	Ramadevi Village Development Organization	CSR000176 65
11	Project Daksh		Yes	Gujarat, Odisha, Chhattisgarh, Maharashtra	Surat, Jagatsinghpur, Raipur, Pune, Dantewada	3 years	3.6	2.52	0	No	National Skill Development Corporation	CSR0000590 3
12	NAMTECH (Skill Institute)	Item (iii)		Yes	Gujarat	Gandhinagar	4 years	252.00	251.70	0	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		
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		
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		
							Total	324.25	320.61			

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

1	2	3	4	5		6	7	8	
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.		Amount spent for the Project (₹ in Crores)	Mode of implementation Direct (Yes/No)	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 such capital 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: July 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.

Place: Indore
Date: July 26, 2024

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

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 – VVVF 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 – VVVF 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.
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 – VVVF installation at RH CCW pump system – Energy Savings (Lakhs kWh) – 7.61 – Approx. Investment – 36 Investment – Nil 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

Sr. No. ENERGY CONSERVATION MEASURES 2023-24

19	SMP-2 – Replacement of NG with N2 during blowing step in side lance process. – Energy Savings (Lakhs SM3)–
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 79.41 – Approx. Investment – Nil 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
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 Separator. – 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 VVFD 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.
14	SMP-1 – Tundish NG Saving & cycle time reduction for drying. – Energy Savings (Lakhs SM3) – 26.11 – Approx. Investment – Nil
15	SMP-1 – VVFD 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
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 PPI NG burner installation is under progress.
- KVX System for coal saving up to 3 to 5% is under consideration.

2. TECHNOLOGY ABSORPTION

- PPI 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:

- 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.
- 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.

- Optimisation of specific power consumption of ball mill during grinding of Mill scale fines. Savings from energy conservation is ` 0.75 crores.
- 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

- 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.
- 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

- 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.
- The enhancement of pressure filter swivel plates resulted in savings of ` 6.71 crores.
- 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.
- 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 windbox 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-I & IA 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-I, 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.

Independent Auditors' 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 31 March 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 Auditors' 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 Independent Auditors' Report 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

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

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 (Auditors' 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);

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

- (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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith 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 31 March 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 Auditors' 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.

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

- 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 to Independent Auditors' Report

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.
- 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 Crore)	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.

Annexure 1 to Independent Auditors' Report (Contd.)

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 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 31 March 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 crore 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 ₹ 5 crore 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 Crore)
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 31 March 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 crore 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.

Annexure 1 to Independent Auditors' Report (Contd.)

- (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 Crore)	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 Crore 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.

Annexure 1 to Independent Auditors' Report (Contd.)

- (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 subsection (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 31 March 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.

Annexure 1 to Independent Auditors' Report (Contd.)

(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 Independent Auditors' Report

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 31 March 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

Annexure 2 to Independent Auditors' Report (Contd.)

- (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 Financial Statements 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 31 March 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

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	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	47.92
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

Standalone Balance Sheet

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	2023
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

1

The accompanying notes are an integral part of the 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 Arcelor Mittal Nippon Steel India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai
Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Standalone Statement of Profit and Loss

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	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

Standalone Statement of Profit and Loss

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	2023
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 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 Arcelor Mittal Nippon Steel India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai
Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Standalone Statement of Changes in Equity

Other equity

(₹ In Crore)

Particulars	Reserves and surplus						Item of other comprehensive income (OCI)			
	Share Capital (A)	Capital Reserve	Retained Earnings	Securities Premium Amount	Capital Contribution	General Reserve	Effective portion of Cash flow hedges	Fair Value of Equity Instruments	Total other equity (B)	Total (A+B)
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 (Derecognition 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 31 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 (Derecognition 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 31 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 Arcelor Mittal Nippon Steel India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai
Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Standalone Cash Flow Statement

(₹ In Crore)

For the Year ended 31 March

Particulars	2025	2024
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

Standalone Cash Flow Statement

(₹ In Crore)

For the Year ended 31 March

Particulars	2025	2024
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)	<u>(14,742.82)</u>	<u>(13,871.45)</u>
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	<u>1,893.20</u>	<u>1,079.90</u>
Net Increase in Cash and Cash Equivalents	<u>813.30</u>	<u>10.63</u>

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 Crore)

Particulars	For the Year ended 31 March	
	2024	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 Crore)

Particulars	For the Year ended 31 March	
	2024	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 Crore)

Particulars	For the Year ended 31 March	
	2024	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

per Pritesh Maheshwari
Partner
Membership Number: 118746

Place: Mumbai
Date: 16th July, 2024

For and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai
Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

1. Nature of Operations/Corporate Information

ArcelorMittal Nippon Steel India Limited (the "Company", "AMNSI", "AMNS India") (CINU27100GJ1976FLC013787) 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 Hypermarkets at various locations across India.

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 31 March 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31 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 all values are rounded to the nearest crore, except otherwise indicated.

1. 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 its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between 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.

2. 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

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.

3. 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.

4. 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

5. 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 31 March 2024 Financial Statements Annual Report 2023-24 95 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.

6. 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

7. 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.

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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

8. 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.

9. 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 value 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.

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:

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

- (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).

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

Reclassification of financial assets

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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

10. 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.

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.

11. 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.

12. 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

13. 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.

14. 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 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 occur, 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.

15. 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

16. 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 capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. Borrowing Cost includes exchange Notes to Standalone Financial Statements for the year ended 31 March 2024 Financial Statements differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

17. 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 contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

On the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

twelve months or less (short-term leases) and where the value of underlying assets is immaterial (low value leases). For these shortterm 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 straightline 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 Notes to Standalone Financial Statements for the year ended 31 March 2024 102 ArcelorMittal Nippon Steel India Limited 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.

18. Mining, Exploration and Development Expenditure

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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.

19 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.

20. 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 noncurrent. 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:

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

- 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.

21. 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 reassessing 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.

22. 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.

23. 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

Company. Refer Note 41 for segment information presented.

24. 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 Notes to Standalone Financial Statements for the year ended 31 March 2024 104 ArcelorMittal Nippon Steel India Limited 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.

25. 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.

26. 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

27. 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 Notes to Standalone Financial Statements for the year ended 31 March 2024 Financial Statements Annual Report 2023-24 105 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)

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 Notes to Standalone Financial Statements for the year ended 31 March 2024 106 ArcelorMittal Nippon Steel India Limited 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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, upto the date of issuance of the Company's standalone financial statements.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

5(a) Property, Plant and Equipment

(₹ in Crore)

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 31 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 31 March 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 31 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 31 March 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 31 March 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 31 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

1 Details of Property, Plant and Equipment pledged against borrowings are given in Note 57.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

Notes:

- Details of Property, Plant and Equipment pledged against borrowings are given in Note 57.
- 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	Gross book value (₹ in Crore)		Held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held since	Gross book Reason for not being in the name of the Company
			As at 31 March	2023				
			2024					
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.

- Property, plant and equipment includes assets (Building and Plant & Machinery) having net book value ₹ 902.27 Crore (Previous year: net book value ₹ 940.99 crore) gross book value ₹ 1,200.15 crore 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 24 June 2016. The matter is under sub-judice. [Refer Note 45 (2) for details].
- 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 crore 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.
- During the year, lease agreement of the land used by Vizag division taken on lease from Vizag Port Trust was renewed.
- 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.
- 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.
- Property, Plant and Equipment includes Port Infrastructure assets with Net book value of ₹ 107.27 crore (Previous year: ₹ 92.87 crore).
- Property, Plant and Equipment includes Power assets with Net book value of ₹ 1959.43 crore (Previous year: ₹ 2055.68 crore)
- 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 31 March 2025 (Contd.)

5(a) Property, Plant and Equipment

(₹ in Crore)											
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 31 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 31 March 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 31 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 31 March 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 31 March 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 31 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

1 Details of Property, Plant and Equipment pledged against borrowings are given in Note 57. 2 Title deeds of immovable properties not held in the name of the Company:

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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

Relevant line item in Financial Statement	Description of item of property	Description of Property	Gross book value (₹ in Crore)		Held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held since	Gross book Reason for not being in the name of the Company
			As at 31 March 2024	2023				
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 Crore (Previous year: net book value ₹ 940.99 crore) gross book value ₹ 1,200.15 crore 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 24 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 crore 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 31 March 2025 (Contd.)

5(b) Capital Work-in-Progress

(₹ in Crore)

As at 31 March 2024

Particulars	2024	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 31 March 2024 was ₹ 841.13 crore (31 March 2023: ₹ 21.99 crore) which includes Foreign exchange capitalisation of ₹ 76.50 crore (31 March 2023: ₹ Nil). Employee Cost capitalised during the year ended 31 March 2024 was ₹ 173.00 Crore (31 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 Crore)

Particulars	As at 31 March 2024					As at 31 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:

To be completed in

(₹ in Crore)

Particulars	As at 31 March 2024					As at 31 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 31 March 2025 (Contd.)

Projects temporarily suspended:

(₹ in Crore)

Particulars	As at 31 March 2024					As at 31 March 2023				
	< 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. Continuous Gavlansing 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 31 March 2024. During the year, Trial Run loss of ₹ 17.33 crore was capitalised to CWIP.

5(c) Other Intangible Assets

(₹ in Crore)

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 31 March 2023	467.60	51.36	518.96
Additions	1.08	42.00	43.08
Disposals	-	-	-
At 31 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 31 March 2023	46.98	33.06	80.04
Charge for the year	32.88	8.81	41.69
Disposals	-	-	-
At 31 March 2024	79.86	41.87	121.73
Net book value			
At 31 March 2024	388.82	51.49	440.31
At 31 March 2023	420.62	18.30	438.92

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

5(d) Intangible under development

(₹ in Crore)

As at 31 March

Particulars	2024	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 Crore)

Project name	As at 31 March 2024					As at 31 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:

To be completed in

(₹ in Crore)

Project name	As at 31 March 2024					As at 31 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

(₹ in Crore)

For the year ended 31 March

Particulars	2024	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 31 March 2025 (Contd.)

6(a) Non-Current Investments

(₹ in Crore)

Particulars	As at 31 March			
	2024		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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

6(a) Non-Current Investments

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
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)	***	***
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 Cumulative Preference Shares (At Cost less impairment)		
641,173,900 (Previous Year: 641,173,900) 0.10% Compulsorily Convertible Cumulative 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

6(a) Non-Current Investments

(₹ in Crore)

As at 31 March		
Particulars	2024	2023
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	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
(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 Limited ³ (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 crore)	–	–

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

6(a) Non-Current Investments

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
(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 crore 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 crore and ₹ 4,060 crore 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.
- 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 crore (previous year ₹ 16,982.86 crore) and ₹ 2,611.13 crore (previous year ₹ 2,611.13 crore) 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 Crore)

Particulars	As at 31 March	
	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

7 Non-current Loans

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March	
	2024	2023
Security Deposit – at amortised cost		
Considered good	1,279.45	1,366.22
Considered doubtful	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
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 standalone financial statements

for the year ended 31 March 2025 (Contd.)

9 Other Non-Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

As at 31 March

Particulars	2024	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 Crore)

As at 31 March

Particulars	2024	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 crore (Previous Year Nil)

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

11 Trade Receivables (at amortised cost)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
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

Trade Receivables Ageing as on 31 March 2024:

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months – 1 year	1-2 years	2-3 years	> 3 years	
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 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.
- Trade receivables from related parties have been disclosed in Note 44.
- 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 31 March 2023:

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months – 1 year	1-2 years	2-3 years	> 3 years	
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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

12 Cash and Cash Equivalents

(₹ in Crore)

As at 31 March

Particulars	2024	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
	<u>1,893.20</u>	<u>1,079.90</u>

* Represents less than ₹ 1 lac.

13 Bank Balances other than Cash & Cash Equivalents

(₹ in Crore)

As at 31 March

Particulars	2024	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
	<u>5,518.76</u>	<u>4,069.17</u>

Margin Money ₹ 269.92 crore (Previous Year: ₹ 2,577.66 crore) (including Margin money on Non current term deposits in Other Non-Current financial Assets ₹ 25.40 crore (Previous Year: ₹ 25.95 crore) 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 Crore)

As at 31 March

Particulars	2024	2023
Loan to Related Party (Refer note 44)		
Considered good	143.55	-
Considered doubtful	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	<u>2,827.18</u>	<u>2,787.95</u>

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

15 Other Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Security Deposits – at amortised cost		
Considered good	217.42	551.17
Considered doubtful	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
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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

16 Other Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Advances to Suppliers – Related Parties (Refer Note 44)		
Considered good	10.22	36.78
Considered doubtful	–	7.77
Less: Impairment Allowance	–	7.77
	10.22	36.78
Advances to Suppliers		
Considered good	314.17	291.21
Considered doubtful	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 doubtful	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 doubtful	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

17 Share Capital

(₹ in Crore)

Particulars	As at 31 March	
	2024	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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Movement in Authorised Share Capital due to Composite Scheme of Arrangement (scheme):				
Outstanding at the beginning 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:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
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

a ii. Movement in Shareholding due to Composite Scheme of Arrangement (scheme) (Refer note 54):

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Outstanding at the beginning 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

17 Share Capital (Contd.)

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 crore 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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
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

e Details of shares held by promoter

Particulars	Promoter Name	As at 31 March 2024				
		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	–

Particulars	Promoter Name	As at 31 March 2023				
		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	–

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

18 Other Equity*

(₹ in Crore)

Particulars	As at 31 March	
	2024	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.

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 crore were recognised as capital contribution. Further company received waiver of borrowings from AMNS Luxembourg amounting to ₹ 1,418.89 crore 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 crore was recognised as capital contribution. Capital contribution amounting to ₹ 87.83 crore 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 crore 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

19 Non-Current Borrowings (at amortised cost) (Refer Note 57)

(₹ In Crore)

Particulars	Non-current		Current Maturity	
	As at 31 March		As at 31 March	
	2025	2024	2025	2024
Secured				
Term Loan				
From Financial Institutions	2.19	7.08	4.88	1.25
From Related Party (Refer Note 44)	-	4,436.47	-	9.57
Unsecured				
Bonds From Related Party (Refer Note 44)	26,321.97	25,548.31	4,575.74	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 Crore)

Particulars	As at 31 March	
	2024	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 crore (previous year ₹ 178.23 crore) accounted under Other Current Financial Liabilities (Refer Note 26).

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

21 Non Current Provisions

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
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)

(₹ in Crore)

	As at 1 April 2023	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	As at 31 March 2024
Deferred Tax movement for the year ended on 31 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

22 Deferred Tax Liabilities (net)

(₹ in Crore)

Deferred Tax movement for the year ended on 31 March 2023	As at 1 April 2022	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	As at 31 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
Right of Use Assets (ROU)	33.41	(11.42)	0.02	22.01
Unrealised gain on Investment	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)
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 Crore.

23 Other Non-Current Liabilities

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

24 Current Borrowings (at amortised cost) (Refer Note 57)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
	<u>4,629.52</u>	<u>6,169.79</u>

25 Trade Payables

(₹ in Crore)

Particulars	As at 31 March	
	2024	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	7,814.61	7,814.61
Acceptances	1,167.91	2,037.28
Others	5,611.87	4,108.51
	<u>6,779.78</u>	<u>6,145.79</u>
	<u>6,945.50</u>	<u>6,321.29</u>

- Trade Payables are majority non-interest bearing and other than Acceptances are normally settled within 30 to 120 days.
- Trade payable to related parties have been disclosed in Note 44

Payable Ageing as on 31 March 2024:

(₹ in Crore)

Payable Ageing as on 31 March 2024:	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 year	1-2 years	2-3 years	> 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	<u>2,483.96</u>	<u>3,264.07</u>	<u>1,194.86</u>	<u>0.82</u>	<u>0.39</u>	<u>1.40</u>	<u>6,945.50</u>

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

25 Trade Payables (Contd.)

Payable Ageing as on 31 March 2023:

(₹ in Crore)

Payable Ageing as on 31 March 2023:	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(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 Crore)

Particulars	As at 31 March	
	2024	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	-
	-	1,574.21
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 Crore)

Particulars	As at 31 March	
	2024	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 crore. The Company paid ₹ 35.30 crore under protest against the demand of ₹ 130.71 crore 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 crore. The Company has created a provision of ₹ 130.71 crore on prudent basis.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

28 Other Current Liabilities

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Advance from Customer	261.96	416.62
Deferred gain (Refer Note 23)	17.70	17.70
Statutory Dues	409.04	445.06
	<u>688.70</u>	<u>879.38</u>

29 Revenue from Operations

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
	<u>57,434.32</u>	<u>53,399.10</u>

For disaggregation of revenue refer Note 41-Segment Information.

Information about Products and Services:

Particulars	Unit	For the year 31 March 2024		For the year 31 March 2023	
		Quantity	₹ In Crore	Quantity	₹ In Crore
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			<u>2,689.72</u>		<u>1,774.66</u>
Total Products Sales			51,281.32		52,696.17
Sale of services			195.07		70.40
Other operating revenues		887.63		542.62	
Scrap Sales		4,983.05		-	
Gain on settlement of derivative financial instruments*		<u>87.25</u>		<u>89.91</u>	
Export Benefit			5,957.93		632.53
Revenue from Operations			<u>57,434.32</u>		<u>53,399.10</u>

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

29 Revenue from Operations

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.

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 Crore)

For the year 31 March

Particulars	2024	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 Crore)

For the year 31 March

Particulars	2024	2023
Trade Receivables (refer note 11)	929.83	1,750.54
Contract liabilities	195.07	70.40
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 crore (previous year ₹ 529.41 crore) and performance obligations satisfied in previous years ₹ Nil (previous year ₹ NIL).

The total contract liabilities outstanding as on 31 March 2024, ₹ 261.96 crore (previous ₹ 416.62 crore) will be recognised by 31 March 2025.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

30 Other Income

(₹ in Crore)

For the year 31 March

Particulars	2024	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
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

31 Cost of Materials Consumed

(₹ in Crore)

For the year 31 March

Particulars	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

32 (Increase)/Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade

(₹ in Crore)		
For the year 31 March		
Particulars	2024	2023
Opening Stock	1,257.58	1,017.12
Finished Goods	3,986.54	4,011.13
Work-in-Progress	5,244.12	5,028.25
Closing Stock	1,471.23	1,257.58
Finished Goods	3,816.82	3,986.54
Work-in-Progress	10.65	–
Stock in Trade	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 Crore)		
For the year 31 March		
Particulars	2024	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

34 Employee Benefits expense*

(₹ in Crore)		
For the year 31 March		
Particulars	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

35 Other Expenses

(₹ in Crore)

For the year 31 March		
Particulars	2024	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), Inter-carting and Packing charges	2,280.52	2,423.87
Other Selling expenses	46.92	76.58
	6,953.37	5,975.48

(a) Auditor's Remuneration (excluding taxes)

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 crore 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 crore and write off ₹ 1,144.93 crore.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

36 Finance Costs

(₹ in Crore)

For the year 31 March

Particulars	2024	2023
Interest	1,943.58	2,281.35
on Bond*	286.74	243.84
on Term Loans [#]	163.24	221.70
on Lease Liabilities	420.39	278.33
Others [^]	2,813.95	3,025.22
Exchange differences regarded as as adjustment 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 Crore (Previous Year: Nil)

Net of interest cost capitalised ₹ 426.43 Crore (Previous Year: Nil)

[^] Net of interest cost capitalised ₹ 20.67 Crore (Previous Year: ₹ 21.99 Crore)

^{^^} Net of foreign exchange cost capitalised ₹ 76.50 Crore (Previous Year: Nil)

^{^^^} Net of other finance cost capitalised ₹ 7.82 Crore (Previous Year: Nil)

37 Income Tax

(₹ in Crore)

For the year 31 March

Particulars	2024	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 31 March 2025 (Contd.)

38 Other Comprehensive Income

(₹ in Crore)

For the year 31 March

Particulars	2024	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)
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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	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.

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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

Fair Value Hierarchy for Financial Assets and Liabilities measured at Fair Value –

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	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 31 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 crore as of 31 March 2024.

Reconciliation of Level 3 measurement:

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

Fair Value of Financial Assets and Liabilities measured at Amortised Cost –

(₹ in Crore)

Particulars	For the year 31 March			
	2025		2024	
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	5,321.12	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.

i. 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 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

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 Crore)

For the year 31 March 2025

Particulars	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 Crore)

For the year 31 March 2024

Particulars	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 31 March 2024 and 31 March 2023 except mentioned in respective notes.

ii. 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual undiscounted payments:

(₹ in Crore)

For the year 31 March 2025					
Particulars	< 1 Year	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

(₹ in Crore)

For the year 31 March 2025					
Particulars	< 1 Year	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	193.58
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.

iii. 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

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:

Particulars	For the year 31 March 2025					For the year 31 March 2024				
	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
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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

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 Crore)

Particulars	For the year 31 March	
	2024	2023
Variable Rate Borrowings	12,295.74	4,436.47
Total Exposure	12,295.74	4,436.47

(b) Sensitivity

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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	22.18
	(61.48)	(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 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 crore (31 March 2023: ₹3.90 crore) whereas a decrease in 50 bps change in short term interest rates would result in a profit of approximately ₹5.01 crore (31 March 2023: ₹3.90 crore). 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 31 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 standalone financial statements

for the year ended 31 March 2025 (Contd.)

39 Financial Instruments and Risk Management

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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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 Crore)

Particulars	For the year 31 March	
	2024	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 Crore)

Particulars	For the year 31 March	
	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

40 Capital Management

(₹ in Crore)

For the year 31 March

Particulars	2024	2023
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:

(a) Revenue from Operations (Refer Note 29)

(₹ in Crore)

Particulars	For the year 31 March 2025			For the year 31 March 2024		
	Domestic	Exports*	Total	Domestic	Exports*	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 Crore)

For the year 31 March

Particulars	2024	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 crore.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
USD sensitivity	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 31 March 2024 and 31 March 2023.

Details of notional value of commodity forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
Commodity Contracts	1,798.51	5.55	4,334.72	-

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 crore 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 crore 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.
- 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

43 Other Information

- 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 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.
- 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)
- 11 Essar Steel Trading FZE
- 12 AMNS Ports Vizag 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)

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

(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 19 Gestamp Automotive India Private Limited
- 2 ArcelorMittal Design and Engineering Centre Pvt Ltd 20 Global Chartering Limited
- 3 ArcelorMittal DSTC FZCO 21 Nippon Steel India Private Limited
- 4 Arcelormittal Espana, S.A. 22 Nippon Steel Pipe India Private Limited
- 5 ArcelorMittal Europe SA 23 Nippon Steel Rolls Corporation
- 6 ArcelorMittal Exports Dmcc 24 Nippon Steel Trading Corporation
- 7 Arcelormittal France 25 TRL Krosaki Refractories Limited
- 8 ArcelorMittal International Luxembourg SA 26 Umang Shipping Limited
- 9 ArcelorMittal Neel Tailored Blanks Private Ltd. 27 Nippon Steel Engineering India Private Limited
- 10 ArcelorMittal Projects India 28 Nippon Steel Engineering Co. Ltd.
- 11 Arcelormittal SA 29 ArcelorMittal Construction India Private Limited
- 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

(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.

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).

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

(B) During the year, following transactions were carried out with the related parties in the ordinary course of business:

(₹ in Crore)

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)	–	–
(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	–	–	–	–
		–	–	–	–	–	–

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
	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)	-	-
(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	-	-	-	-	-	-

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
		-	(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)	-
(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 Limited	-	66.40	-	-	-	-

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Sr. No.	Particulars	Holding Companies	Subsidiaries	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
		-	-	-	-	-	-
	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)	-
(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 Indonesia	-	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:

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 31 March 2025 (Contd.)

(C) Balance outstanding at year end:

(₹ in Crore)

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 31 March 2025 (Contd.)

(₹ in Crore)

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:

- Figures mentioned in bracket are previous year figure.
- Financial Support to Subsidiaries (Refer Note 46(b)).

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

45 Claims against the Company not acknowledged as liabilities/ Contingent Liabilities- (Not provided for)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 crore 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 crore and ₹ 1,562.88 crore from January 20 to June 23.

Further to CERC orders, the Company has remitted an amount of ₹ 129.44 crore to DGVCL on April 08, 2024 and a further amount of ₹ 129.44 crore on June 07, 2024 being 20% of the principal outstanding amount of ₹ 1,294.44 crore (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 crore 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 crore 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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

45 Claims against the Company not acknowledged as liabilities/ Contingent Liabilities- (Not provided for)

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.

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 crore 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 crore (including interest of ₹ 6,666.98 crore) 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 standalone financial statements

for the year ended 31 March 2025 (Contd.)

46 Commitments

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 31 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.		

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 crore (Previous Year: ₹ 28.45 crore) and ₹ 8.58 Crore (Previous Year: ₹ 2.69 crore) 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 Crore)

Particulars	Year ended 31 March	
	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

47 Employee Benefits

(₹ in Crore)

As at 31 March		
Particulars	2024	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

(₹ in Crore)

Year ended 31 March		
Particulars	2024	2023
Changes in the fair value of plan assets are as follows:	11.07	8.71
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 crore (Previous Year: ₹ 15.24 crore) to its gratuity plan for the next year.

(₹ in Crore)

Year ended 31 March		
Particulars	2024	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		

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

47 Employee Benefits

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 Crore)

Particulars	As at 31 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			

a) Net Asset/(Liability) recognised in Balance Sheet

(₹ in Crore)

Particulars	As at 31 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.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

47 Employee Benefits

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 Crore)

Particulars	As at 31 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 31 March 2024:

(₹ in Crore)

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
Depreciation	(7.33)	(15.28)	(342.50)	(365.11)
Closing Balance as on 31 March 2024	651.89	51.93	1,422.49	2,126.31

(₹ in Crore)

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 31 March 2023	379.75	52.55	1,764.99	2,197.29

b) The following is the movement in lease liabilities:

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

48 Leases

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	2023
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 31 March 2024 on an undiscounted basis:

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	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 Crore)

Particulars	Year Ended 31 March	
	2024	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 crore for the year 31 March 2024 (₹ 591.82 crore for the year 31 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.

49 Earnings Per Share

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	2023
Less than one year	6,997.23	2,186.95
One to five years	25,041,306,142	25,041,306,142
More than five years	2.79	0.87
Total	2,918.48	3,027.97

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	Year Ended 31 March	
	2024	2023
(a) The Principal amount and the interest due thereon remaining unpaid 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	–	–
(d) The amount of interest accrued and remaining unpaid at the end accounting year	0.22	0.38
(e) The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above actually paid to the small enterprise for the purpose of disallowance deductible expenditure under section 23 of MSMED Act, 2006	0.08	0.14

51 Exceptional Items

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 Crore)

Particulars	Year Ended 31 March	
	2024	2023
1 Write off of Loan receivables (Refer	–	588.40
2 Provision for Disputed Claims ¹	–	546.84
3 Reversal of Impairment on assets ²	–	(482.83)
	–	652.41

- 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.
- 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 crore. 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 31 March 2025 (Contd.)

52 Ratio Analysis

Sr. No.	Ratio	Numerator	Denominator	As at 31 March		Variance	Reason for Variance
				2024	2023		
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

Note:

- 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 increased 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 31 March 2025 (Contd.)

53 Corporate Social Responsibility (CSR) expenditure

During the year no amount (31 March 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 Crore)

For the Year 31 March		
Particulars	2024	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 31 March 2024:

(₹ in Crore)

For the year 31 March 2024			
Particulars	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 31 March 2023:

(₹ in Crore)

For the year 31 March 2023			
Particulars	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 Crore)

For the Year 31 March		
Particulars	2024	2023
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

iii) Contribution to a trust controlled by the company (under Section 8 of the companies Act)	219.41	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

11 Details of ongoing project and other than ongoing project

As at 31 March 2024

(₹ in Crore)

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 31 March 2024

(₹ in Crore)

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 crore for calander year 2023.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

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 filing 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 31 March 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 31 March 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 ₹ 36.92 crore. 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 crore under protest. Based on best management estimates, a provision of ₹ 25 crore has been made and demand for balance ₹ 11.92 crore is considered not tenable and hence, remote. has context menu

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 crore 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 crore (including intercorporate deposits of ₹ 362.63 crore to AMNSK) and had subsequently recorded impairment of ₹ 693.30 crore upto 31 March 2021.

As on 31 March 2022 amount of ₹ 3,000.20 crore 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 crore which was treated as an exceptional item in profit and loss account for the year ended 31 March 2022. Further ₹ 588.40 crore was finally impaired on the basis of actual amount received amounting to ₹ 2,411.80 crore as per AMNSK Resolution Plan. Same was disclosed as an exceptional item in profit and loss account for the year ended 31 March 2023.

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

56 Details of Loans given U/S 186 (4) of the Companies Act, 2013 during the year:

(i) Loan (ICD) Given refer note 44

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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 Crore)

Particulars	For the Year 31 March	
	2024	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
(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

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

57 Borrowings Note

(₹ in Crore)

Particulars	For the Year 31 March	
	2024	2023
(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 crore starting from March 2026 and ₹ 1,250 crore from September 2027 untill September 2029 and final bullet repayment of balance ₹ 14,750 crore in March 2030 (Previous Year: Principal amount is repayable in half yearly installment of INR 1000 crore from September 2024 untill Spetember 2029 and final bullet payment of INR 13,000 crore 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

Note:

- 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.
- The Company signed an agreement on 1st March, 2019 with its parent company for the issuance of unsecured INRdenominated Bonds worth ₹ 24,000 crore (INR ECB). Due to the advent of the COVID-19 pandemic, it

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

was agreed that no interest would be charged, accrued, or payable on the Bonds from 1st April, 2020, until 31 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 crore 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 crore from March 2026 and ₹1,250 crore from September 2027, with a bullet repayment of ₹14,750 crore 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 2023	
			2025	2024
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	AMNS Ports Shared Services Pvt Ltd (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	India	97.78	97.78
10	AMNS Power Hazira Limited (w.e.f 19.10.2022)	India	100	100
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	-

Notes to standalone financial statements

for the year ended 31 March 2025 (Contd.)

58 Information of investments made in subsidiary and associate.

			Proportion of Ownership Interest (%)	
			As at 31 March 2023	
Sr. No.	Name of the Company	Country of Incorporation	2025	2024
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 Crore. 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 and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel

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

India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai

Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Independent Auditors' Report (Contd.)

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 31 March 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 31 March 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 Auditors' 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

Independent Auditors' Report (Contd.)

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.

Independent Auditors' Report (Contd.)

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 ₹ 6,778.89 crore as at 31 March 2024, and total revenues of ₹ 2,167.82 crore and net cash outflows of ₹ 6.07 crore 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 ₹ Nil crore for the year ended 31 March 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 ₹ 3.81 crore for the year ended 31 March 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 (Auditors' 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

Independent Auditors' Report (Contd.)

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 31 March 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 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith 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 31 March 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 Auditors' 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 longterm 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 31 March 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;

Independent Auditors' Report (Contd.)

- 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 to Independent Auditors' Report

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 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: 24118746BKFZUY1289
Place of Signature: Mumbai
Date: July 26, 2024

Annexure 2 to Independent Auditors' Report

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 31 March 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.

Annexure 2 to Independent Auditors' Report (Contd.)

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 31 March 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: 24118746BKFZUY1289

Place of Signature: Mumbai
Date: July 26, 2024

Consolidated Balance Sheet

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	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 assets	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
	16	12,346.11	13,127.57
Other Current Asset		1,912.46	2,114.25
Total Current Assets		24,969.41	25,322.61
Total Assets		111,975.90	99,134.70

Consolidated Balance Sheet

(₹ in Crore)

As at 31 March

Particulars	Note No.	2024	2023
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	28	135.86	134.93
Other Current Liabilities	29	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 and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel
For S R B C & CO LLP India Limited
Chartered Accountants
Firm Registration No. 324982E/
E300003

per Pritesh Maheshwari
Partner
Membership Number: 118746

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024

Consolidated Statement of Profit and Loss

(₹ in Crore)

		For the year ended	
Particulars	Note No.	2024	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

Consolidated Statement of Profit and Loss

(₹ in Crore)

For the year ended

Particulars	Note No.	2024	2023
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 and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel
 For S R B C & CO LLP India Limited
 Chartered Accountants
 Firm Registration No. 324982E/
 E300003

Dilip Oommen
 Director and CEO
 DIN:02285794

Hiroo Ishibashi
 Whole Time Director
 DIN:10581262

per Pritesh Maheshwari
 Partner
 Membership Number: 118746

Amit Harlalkar
 Chief Financial Officer

Pankaj S Chourasi
 Company Secretary

Place: Mumbai
 Date: 26th July, 2024

Place: Mumbai
 Date: 26th July, 2024

Other Equity

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

Pankaj S Chourasi
Company Secretary

Consolidated Statement of Changes in Equity

(₹ In Crore)

Particulars	Other Equity															
	Reserves and surplus							Item of other comprehensive income/(Loss) (OCI)								
	Share Capital (A)	Capital Reserve	Retained Earnings	Securities Premium Amount	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	Equity Component of financial instrument	Total other equity (B)	Attributable to Owners of the Parent (A)+(B)	Non-Controlling Interest (C)	Total (A+B+C)
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 31 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

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/E3000003

For and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel India Limited

per Pritesh Maheshwari
Partner
Membership Number: 118746

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Amit Harlalkar
Chief Financial Officer

Pankaj S Chourasi
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Consolidated Cash Flow Statement

(₹ In Crore)

For the Year ended 31 March

Particulars	2025	2024
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)	121.29
	5,695.97	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)	713.99
	(2,696.35)	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

Consolidated Cash Flow Statement

(₹ In Crore)

For the Year ended 31 March

Particulars	2025	2024
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 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

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 Crore)

For the Year ended 31 March

Particulars	2024	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 Crore)

For the Year ended 31 March

Particulars	2024	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 Crore)

For the Year ended 31 March

Particulars	2024	2023
Cash and Cash Equivalents (Refer 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 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 Arcelor Mittal Nippon Steel
India Limited

Dilip Oommen
Director and CEO
DIN:02285794

Amit Harlalkar
Chief Financial Officer

Place: Mumbai
Date: 26th July, 2024

Hiroo Ishibashi
Whole Time Director
DIN:10581262

Pankaj S Chourasi
Company Secretary

Consolicated Cash Flow Statement
for the year ended 31 March 2025 (Contd.)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

1 Nature of Operations/Corporate Information

ArcelorMittal Nippon Steel India Limited (the "Company", "AMNSI", "AMNS India") (CINU27100GJ1976FLC013787) 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 Hypermarkets 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".

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

2 Material Accounting Policies

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 31 March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31 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 crore, except otherwise indicated.

Basis of Consolidation

1. 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.

2. Investment in Associates:

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 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.

3. 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

4. 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	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
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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

5. 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.

6. 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

7. 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 be considered separately or together with one or more uncertain tax positions depending on 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 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 rise 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 recognised 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.

8. 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.

9. Financial Instruments

Financial assets and Financial liabilities are recognised when the Group becomes a party to the Notes to Consolidated Financial Statements for the year ended 31 March, 2024 Financial Statements Annual Report 2023-24 181 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 value through profit or loss are recognised immediately in the statement of profit and loss.

Financial Assets:

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Group 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 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

10. 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).

11. 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. Nonmonetary 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).

12. 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

13. 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.

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.

14. 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:

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

15. 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.

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.

16. 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

17. 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 contract 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 shortterm 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 straightline 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 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

18. 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 prices, analysis of site conditions and changes in restoration technology.

19. Measurement of EBITDA

The Group has elected to present earnings before finance costs, depreciation and amortisation expenses,

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

20. 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 noncurrent. 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.

21. 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.

22. Contract Balances

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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. Notes to Consolidated Financial Statements for the year ended 31 March, 2024 188 ArcelorMittal Nippon Steel India Limited

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.

23. 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.

24. 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.

25. 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.

26. 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

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 remeasured 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.

27. 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.

28. 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.

29. 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 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)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Notes to Consolidated Financial Statements for the year ended 31 March, 2024 Financial Statements Annual Report 2023-24 191 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Notes to Consolidated Financial Statements for the year ended 31 March, 2024 192 ArcelorMittal Nippon Steel India Limited 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 31 March 2024	As at 31 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
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest (%)*		Principal Activities
			As at 31 March 2024	As at 31 March 2023	
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 31 March, 2023.

List of Associate considered for consolidation is as under :

Sr. No.	Name of the Company	Proportion of Ownership Interest (%)*	
		As at 31 March 2024	As at 31 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

6A 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:

(₹ in Crore)

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 31 March, 2024		For the year ended on 31 March, 2024					
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
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)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

6(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:

(₹ in Crore)

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 31 March, 2023		For the year ended on 31 March, 2023					
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
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 31 March 2025 (Contd.)

7(a) Property, Plant and Equipment

Particulars	Railway										Total
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Ships and Vessels	Railway Sidings and Wagons	Aircraft	
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 31 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 31 March 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 31 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 31 March 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 31 March 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 31 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 to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Notes:

- Details of Property, Plant and Equipment pledged against borrowings are given in Note 58.
- Title deeds of immovable properties not held in the name of the Company:

			Gross book value (₹ in Crore)					
			As at 31 March					
Relevant line item in Financial Statement	Description of item of property	Description of Property	2024	2023	Held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held since	Gross book 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.

- Plant and equipment (Conveyor belts) with the net carrying amount of ₹. 344.40 crore 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.
- Property, plant and equipment includes assets (Building and Plant & Machinery) having net book value ₹ 902.27 Crore (Previous year : net book value ₹ 940.99 crore) gross book value ₹ 1,200.15 crore 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].
- 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 crore 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.
- During the year, lease agreement of the land used by Vizag division taken on lease from Vizag Port Trust was renewed.
- 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.
- 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 31 March 2025 (Contd.)

7(b) Capital Work-in-Progress

(₹ in Crore)

Particulars	As at 31 March 2024	
	2024	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 31 March, 2024 was ₹ 841.13 crore (31 March, 2023: ₹ 21.99 crore) which includes Foreign exchange capitalisation of ₹ 76.50 crore (31 March, 2023: ₹ Nil). Employee Cost capitalised during the year ended 31 March, 2024 was ₹ 173.00 Crore (31 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 Crore)

Particulars	As at 31 March 2024					As at 31 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:

To be completed in

(₹ in Crore)

Particulars	As at 31 March 2024					As at 31 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
	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 Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Projects temporarily suspended:

(₹ in Crore)

Particulars	As at 31 March 2024					As at 31 March 2023				
	< 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. Continuous Gavlansing 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 31 March, 2024. During

7(c) Other Intangible Assets

(₹ in Crore)

Particulars	Mining Assets	Software	Port License agreement/ Service concession Arrangement *	Total
Cost/Deemed Cost				
At 1st April 2022	350.48	47.14	-	397.62
Additions	117.12	4.22	11,031.98	121.34
Disposals	-	-	-	-
At 31 March 2023	467.60	51.36	-	518.96
Additions	1.08	42.00	11,031.98	43.08
Disposals	-	-	832.70	-
At 31 March 2024	468.68	93.36	-	562.04
			1.15	
Accumulated Amortisation			11,863.53	
At 1st April 2022	23.05	29.09	-	52.14
Charge for the year	23.93	3.97	150.52	27.90
Disposals	-	-	-	-
At 31 March 2023	46.98	33.06	150.52	80.04
Charge for the year	32.88	8.81	408.29	41.69
Disposals	-	-	-	-
At 31 March 2024	79.86	41.87	558.81	121.73
			11,304.72	
Net book value			10,881.46	
At 31 March 2024	388.82	51.49		440.31
At 31 March 2023	420.62	18.30		438.92

* 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 31 March 2025 (Contd.)

7(d) Intangible under development

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March 2024					As at 31 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:

To be completed in

(₹ in Crore)

Project name	As at 31 March 2024					As at 31 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

(₹ in Crore)

Particulars	For the year ended 31 March	
	2024	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 Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

8(a) Non-Current Investments

(₹ in Crore)

Particulars	As at 31 March			
	2024		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	

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

As at 31 March

Particulars	2024	2023
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)	***	***
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 Cumulative Preference Shares (At Cost less impairment)		
641,173,900 (Previous Year: 641,173,900) 0.10% Compulsorily Convertible Cumulative 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

As at 31 March

Particulars	2024	2023
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
(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 Limited ³ (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 crore)	–	–
(iii) Preference Shares (Carried at FVTPL)		
Compulsorily Convertible Preference Shares		

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

As at 31 March		
Particulars	2024	2023
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 crore in compulsorily convertible preference shares (CCPS) of AM Mining India Private Limited (AMMIPIL) on 3rd May, 2023. Company has also subscribed CCPS in this Company in previous year ₹ 2,370 crore and ₹ 4,060 crore on 6th July, 2020 and on 1st November, 2022 respectively.
3. 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.
- 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 crore (previous year ₹ 16,982.86 crore) and ₹ 2,611.13 crore (previous year ₹ 2,611.13 crore) 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.

8(b) Current Investments

(₹ in Crore)

As at 31 March		
Particulars	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

9 Non-current Loans

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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	-	-

10 Other Non-Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Security Deposit – at amortised cost		
Considered good	1,279.45	1,366.22
Considered doubtful	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
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 31 March 2025 (Contd.)

11 Other Non-Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Capital Advances	4,615.85	3,732.83
	4,615.85	3,732.83

12 Inventories

(Valued at lower of cost and net realizable value)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 crore (Previous Year Nil)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

13 Trade Receivables (at amortised cost)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
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

Trade Receivables Ageing as on 31 March 2024:

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
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 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.
- Trade receivables from related parties have been disclosed in Note 44.
- 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 31 March 2023:

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

14 Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
	<u>1,893.20</u>	<u>1,079.90</u>

* Represents less than ₹ 1 lac.

15 Bank Balances other than Cash & Cash Equivalents

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
	<u>5,518.76</u>	<u>4,069.17</u>

Margin Money ₹ 302.34 crore (Previous Year : ₹ 2,582.72 crore) (including Margin money on Non current term deposits in Other Non-Current financial Assets ₹ 25.40 crore (Previous Year : ₹ 31.01 crore) 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 Crore)

Particulars	As at 31 March	
	2024	2023
Loan to Related Party (Refer note 44)		
Considered good	143.55	–
Considered doubtful	2,827.18	2,787.95
Less: Allowance for Expected credit loss (ECL)	<u>2,827.18</u>	<u>2,787.95</u>
Loans and Advances to Staff		
Considered good		

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

16 Current Loans (at amortised cost)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
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

17 Other Current Financial Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Security Deposits – at amortised cost		
Considered good	217.42	551.17
Considered doubtful	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
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

18 Other Current Assets

(Unsecured and Considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Advances to Suppliers – Related Parties (Refer Note 44)		
Considered good	10.22	36.78
Considered doubtful	–	7.77
Less: Impairment Allowance	–	7.77
	10.22	36.78
Advances to Suppliers		
Considered good	314.17	291.21
Considered doubtful	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 doubtful	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 doubtful	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

19 Share Capital

(₹ in Crore)

Particulars	As at 31 March	
	2024	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
	<u>80,000.00</u>	<u>80,000.00</u>

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Movement in Authorised Share Capital due to Composite Scheme of Arrangement (scheme):				
Outstanding at the beginning 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	<u>80,00,00,00,000</u>	<u>80,000.00</u>	<u>80,00,00,00,000</u>	<u>80,000.00</u>
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
		<u>25,041.31</u>		<u>25,041.31</u>

a i. Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
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	<u>25,04,13,06,142</u>	<u>25,041.31</u>	<u>25,04,13,06,142</u>	<u>25,041.31</u>

a ii. Movement in Shareholding due to Composite Scheme of Arrangement (scheme) (Refer note 54):

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Outstanding at the beginning 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	<u>25,04,13,06,142</u>	<u>25,041</u>	<u>25,04,13,06,142</u>	<u>25,041.31</u>

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 crore on amalgamation of ArcelorMittal India Private Limited (AM IPL) 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 AM IPL) for settlement of consideration for the amalgamation of AM IPL with the Company as per said scheme.

d Details of shareholders holding more than 5% shares in the Company

Equity Shares	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
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

e Details of shares held by promoter

As at 31 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 31 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	–

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

20 Other Equity

(₹ in Crore)

Particulars	As at 31 March	
	2024	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.

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 crore were recognised as capital contribution. Further company received waiver of borrowings from AMNS Luxembourg amounting to ₹ 1,418.89 crore 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

the Company, the same was waived off by AMNS Luxembourg and an amount of ₹ 60.09 crore was recognised as capital contribution. Capital contribution amounting to ₹ 87.83 crore 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 crore 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 Crore)

Particulars	As at 31 March			
	2025	2024	2025	2024
	Non-current		Current Maturity	
Secured				
Term Loan				
From Financial Institutions	2.19	7.08	4.88	1.25
From Related Party (Refer Note 44)	-	4,436.47	-	9.57
Unsecured				
Bonds From Related Party (Refer Note 46)	26,321.97	25,548.31	4,575.74	3,613.34
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 Crore)

Particulars	As at 31 March	
	2024	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 crore (previous year ₹ 178.23 crore) accounted under Other Current Financial Liabilities (Refer Note 26).

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

23 Non Current Provisions

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Provision for employee benefits		
Gratuity (Refer Note 47)	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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

24 Deferred Tax Liabilities/(Assets) (net)

Deferred Tax Liabilities/(Assets) movement for the year ended on 31 March, 2024

(₹ in Crore)

Particulars	As at 1 April 2023	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	Addition on Business Combination	As at 31 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
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Deferred Tax Liabilities/(Assets) movement for the year ended on 31 March, 2023

(₹ in Crore)

Particulars	As at 1 April 2022	Recognised/ (reversed) through Profit and Loss	Recognised/ (reversed) through OCI	Addition on Business Combination	As at 31 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 31 March 2025 (Contd.)

25 Other Non-Current Liabilities

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Gratuity (Refer Note 47)	101.75	119.51
	101.75	119.51

26 Current Borrowings (Refer Note 58)

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Secured		
Current maturities of long-term Borrowings	4.88	10.83
Loans From Banks	-	
Unsecured		
Current maturities of long-term Borrowings	4,624.64	1,574.21
Commercial Paper	-	971.42
	4,629.52	6,169.79

27 Trade Payables

(₹ in Crore)

Particulars	As at 31 March	
	2024	2023
Total outstanding dues of micro and small enterprises	169.39	169.39
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 disclosed in Note 44

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Payable Ageing as on 31 March 2024:

(₹ in Crore)

Particulars	Unbilled	Not Due	< 1 year	1-2 years	2-3 years	> 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 31 March 2023:

(₹ in Crore)

Particulars	Unbilled	Not Due	< 1 year	1-2 years	2-3 years	> 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

28 Other Current Financial Liabilities

(₹ in Crore)

Particulars	As at 31 March	
	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

29 Current Provisions

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 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 crore. The Company paid ₹ 35.30 crore under protest against the demand of ₹ 130.71 crore 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 crore. The Company has created a provision of ₹ 130.71 crore on prudent basis.

30 Other Current Liabilities

(₹ in Crore)

Particulars	As at 31 March	
	2024	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

31 Revenue from Operations

(₹ in Crore)

Particulars	As at 31 March	
	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

For disaggregation of revenue refer Note 41–Segment Information.

Information about Products and Services:

(₹ in Crore)		
As at 31 March		
Particulars	2024	2023
Hot/Cold Rolled Coils, Sheets & Plates	44,739.42	43,327.04
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	51,281.32	52,696.17
Sale of services	195.07	70.40
Other operating revenues	887.63	542.62
Scrap Sales	4,983.05	–
Gain on settlement of derivative financial instruments*	87.25	89.91
Export Benefit	5,957.93	632.53
Revenue from Operations	57,434.32	53,399.10

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 Crore)		
For the year 31 March		
Particulars	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Contract Balances

(₹ in Crore)		
For the year 31 March		
Particulars	2024	2023
Contract assets		
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 crore (previous year ₹ 529.41 crore) and performance obligations satisfied in previous years ₹ Nil (previous year ₹ NIL). The total contract liabilities outstanding as on 31 March 2024, ₹ 261.96 crore (previous ₹ 416.62 crore) will be recognised by 31 March 2025.

32 Other Income

(₹ in Crore)		
For the year 31 March		
Particulars	2024	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
Security Deposit	126.63	56.66
Others	8.28	6.72
Rent		
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
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

33 Cost of Materials Consumed

(₹ in Crore)

For the year 31 March

Particulars	2024	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

34 (Increase)/Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade

(₹ in Crore)

For the year 31 March

Particulars	2024	2023
Opening Stock	1,257.58	1,017.12
Finished Goods	3,986.54	4,011.13
Work-in-Progress	5,244.12	5,028.25
Closing Stock	1,471.23	1,257.58
Finished Goods	3,816.82	3,986.54
Work-in-Progress	10.65	–
Stock in Trade	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)

35 Power and Fuel

(₹ in Crore)

For the year 31 March

Particulars	2024	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 Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

36 Employee Benefits expense*

(₹ in Crore)

For the year 31 March

Particulars	2024	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 benefit cost capitalised ₹ 173 Crore (Previous year: ₹ 61.26 Crore)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

37 Other Expenses

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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
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 (a) 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), Inter-carting and Packing charges	2,280.52	2,423.87
Other Selling expenses	46.92	76.58
	6,953.37	5,975.48

(a) Donation includes ₹ 100 crore (previous year ₹ 50 crore) paid to Prudent Electroal Trust towards political donation.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

38 Finance Costs

(₹ in Crore)

Particulars	For the year 31 March	
	2024	2023
Interest	1,943.58	2,281.35
on Bond*	286.74	243.84
on Term Loans [#]	163.24	221.70
on Lease Liabilities	420.39	278.33
Others [^]	2,813.95	3,025.22
Exchange differences regarded as as adjustment 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 Crore (Previous Year: Nil)

Net of interest cost capitalised ₹ 426.43 Crore (Previous Year: Nil)

[^] Net of interest cost capitalised ₹ 20.67 Crore (Previous Year: ₹ 21.99 Crore)

^{^^} Net of foreign exchange cost capitalised ₹ 76.50 Crore (Previous Year: Nil)

^{^^^} Net of other finance cost capitalised ₹ 7.82 Crore (Previous Year: Nil)

39 Income Tax expense

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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)

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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

40 Other Comprehensive Income

(₹ in Crore)

For the year 31 March

Particulars	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	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.

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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Fair Value Hierarchy for Financial Assets and Liabilities measured at Fair Value –

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	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 31 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 crore as of 31 March 2024.

Reconciliation of Level 3 measurement:

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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 Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Fair Value of Financial Assets and Liabilities measured at Amortised Cost –

(₹ in Crore)

For the year 31 March

Particulars	2025		2024	
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	5,321.12	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.

i. 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 Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	For the year 31 March 2025		
	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 Crore)

Particulars	For the year 31 March 2024		
	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 31 March 2024 and 31 March 2023 except mentioned in respective notes.

ii. 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual undiscounted payments:

(₹ in Crore)

For the year 31 March 2025					
Particulars	< 1 Year	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

(₹ in Crore)

For the year 31 March 2025					
Particulars	< 1 Year	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	193.58
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.

iii. 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(a) The Company's exposure to foreign currency risk is as follows:

For the year 31 March 2025					
Particulars	USD	EUR	AED	Others	Total
Trade Receivables	232.79	36.31	–	–	269.10
Cash and Bank balances	–	–	–	–	–
Other Financial Assets	0.23	0.14	0.01	0.13	0.51
Financial Assets	233.02	36.45	0.01	0.13	269.61
Net Exposure to Foreign Currency risk on Financial Assets	233.02	36.45	0.01	0.13	269.61
Borrowings	12,295.74	–	–	–	12,295.74
Trade Payables	535.60	41.03	43.55	17.68	637.86
Buyer's Credit	2,168.37	39.50	–	2,207.87	2,353.83
Creditors for Capital Expenditures	62.15	371.17	–	88.61	521.93
Financial Liabilities	15,061.86	451.70	43.55	106.29	15,663.40
Covered by Derivative Contracts	298.36	–	–	298.36	1,830.47
Net Exposure to Foreign Currency risk on Financial Liabilities	14,763.50	451.70	43.55	106.29	15,365.04

For the year 31 March 2024					
Particulars	USD	EUR	AED	Others	Total
Trade Receivables	382.10	35.16	–	–	417.26
Cash and Bank balances	–	–	–	–	–
Other Financial Assets	0.17	0.68	0.03	0.07	0.95
Financial Assets	382.27	35.84	0.03	0.07	418.21
Net Exposure to Foreign Currency risk on Financial Assets	382.27	35.84	0.03	0.07	418.21
Borrowings	4,446.04	–	–	–	4,446.04
Trade Payables	1,153.88	4.70	–	0.19	1,158.77
Buyer's Credit	–	–	2,353.83	–	2,353.83
Creditors for Capital Expenditures	19.94	40.77	–	2.04	62.75
Financial Liabilities	7,973.69	45.47	–	2.23	8,021.39
Covered by Derivative Contracts	–	–	1,830.47	–	1,830.47
Net Exposure to Foreign Currency risk on Financial Liabilities	6,143.22	45.47	–	2.23	6,190.92

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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 Crore)

Particulars	For the year 31 March	
	2024	2023
Variable Rate Borrowings	12,295.74	4,436.47
Total Exposure	12,295.74	4,436.47

(b) Sensitivity

(₹ in Crore)

Particulars	For the year 31 March	
	2024	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	22.18
	(61.48)	(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 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 crore (31 March 2023: ₹3.90 crore) whereas a decrease in 50 bps change in short term interest rates would result in a profit of approximately ₹5.01 crore (31 March 2023: ₹3.90 crore).

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 31 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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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 Crore)

Particulars	For the year 31 March	
	2024	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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 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 Crore)

Particulars	For the year 31 March	
	2024	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)	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	For the year 31 March 2025			For the year 31 March 2024		
	Domestic	Exports*	Total	Domestic	Exports*	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 of the Company:

(₹ in Crore)

Particulars	For the year 31 March 2025			For the year 31 March 2024		
	India	Outside India	Total	India	Outside India	Total
Revenues (Income from operation)	45,594.35	11,839.97	57,434.32	46,332.15	7,066.95	53,399.10

(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 crore.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
USD sensitivity	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 31 March 2024 and 31 March 2023.

Details of notional value of commodity forward contracts entered by the Company and outstanding as at Balance Sheet date:

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
Commodity Contracts	1,798.51	5.55	4,334.72	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

45 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 crore 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 crore 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.
- 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

- 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 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.
- 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.

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

(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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

- 15 ArcelorMittal Ventures India Private Limited
- 16 Arcelormittal China Co Ltd
- 17 Disteel
- 18 Ice Steel I 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
- 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).

(B) During the year, following transactions were carried out with the related parties in the ordinary course of business:

(₹ in Crore)

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)	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
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	-	-	-
	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(f) Interest Expenses					
AMNS Luxembourg Holding S.A	713.17	-	-	-	-
	(243.84)	-	-	-	-
Oakey Holding B.V	2,428.35	-	-	-	-
	(2,281.35)	-	-	-	-
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	-	-
	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
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)	-
(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)	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
(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)	-	-
(t) Recovery of Expenses					
Ice Steel 1 Private Limited	-	-	0.12	-	-
	-	-	(0.14)	-	-
Amns Khopoli Limited	-	0.03	-	-	-
	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Other Related Parties	Associate	Key Management Personnel
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 Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Associate	Key Management Personnel
(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)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Associate	Key Management Personnel
(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)
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)	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Holding Companies	Fellow Subsidiaries	Associate	Key Management Personnel
(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 31 March 2025 (Contd.)

47 Contingent Liabilities/Claims against the Group not acknowledged as liabilities – (Not provided for)

(₹ in Crore)

Particulars	As at 31 March	
	2024	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	–

- 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 crore 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 crore and ₹ 1,562.88 crore from January 20 to June 23.

Further to CERC orders, the Company has remitted an amount of ₹ 129.44 crore to DGVCL on April 08, 2024 and a further amount of ₹ 129.44 crore on June 07, 2024 being 20% of the principal outstanding amount of ₹ 1,294.44 crore (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 crore 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 crore as remote.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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.

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 crore 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 crore (including interest of ₹ 6,666.98 crore) 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 31 March 2025 (Contd.)

48 Commitments

Particulars	(₹ in Crore)	
	As at 31 March	
	2024	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 crore (Previous Year: ₹ 28.45 crore) and ₹ 8.58 Crore (Previous Year : ₹ 2.69 crore) 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 :

Particulars	(₹ in Crore)	
	Year ended 31 March	
	2024	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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

As at 31 March		
Particulars	2024	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)
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 Crore)

As at 31 March		
Particulars	2024	2023
Changes in the fair value of plan assets are as follows:	11.07	8.71
Fair Value of plan assets at the beginning of the year	114.64	100.15
Acquired on Business Combination	8.68	7.08
Acquisition adjustment		
Interest income on plan assets		
Contributions/Transfers	15.09	12.55
Benefits paid	(6.62)	(4.74)
Return on plan assets greater/(less) than discount rate	0.77	(0.40)
Fair Value of plan assets at the end of the year	132.56	114.64

The Group expects to contribute ₹ 17.40 crore (Previous Year : ₹ 15.65 crore) to its gratuity plan for the next year.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	Year ended 31 March	
	2024	2023
Expected contribution to the defined benefit plan for the next annual reporting period		
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.

Sensitivity Analysis – Impact on DBO– Gratuity

(₹ in Crore)

Particulars	As at 31 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%–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			

a) Net Asset/(Liability) recognised in Balance Sheet

(₹ in Crore)

Particulars	As at 31 March 2024		As at 29th February 2024	
	Current	Non Current	Current	Non Current
Gratuity (Liability)	–	(78.18)	–	(61.14)
Gratuity (Asset)		1.41		1.36

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

Particulars	As at 31 March 2024		As at 29th February 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 31 March 2025 (Contd.)

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 31 March 2024:

(₹ in Crore)

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 31 March 2024	651.89	51.93	1,422.49	2,126.31

(₹ in Crore)

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 31 March 2023	379.75	52.55	1,764.99	2,197.29

b) The following is the movement in lease liabilities:

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	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	1,606.49	1,822.97
Closing Balance	2,025.04	2,246.34

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	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 Crore)

Particulars	Year Ended 31 March	
	2024	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 crore for the year 31 March 2024 (₹ 591.82 crore for the year 31 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.

51 Earnings Per Share

(₹ in Crore)

Particulars	Year Ended 31 March	
	2024	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 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)	2.79	0.87
Total	2,918.48	3,027.97

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

52 Exceptional Items

(₹ in Crore)

Particulars	For the Year Ended 31 March	
	2024	2023
1 Write off of Loan receivables (Refer	-	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 crore. 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.

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 standalone financial statements for the year ended 31 March 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 31 March 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 ₹ 36.92 crore. 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 crore under protest. Based on best management estimates, a provision of ₹ 25 crore has been made and demand for balance ₹ 11.92 crore is considered not tenable and hence, remote. has context menu

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

- 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 54) has acquired loans from consortium of lenders of AMNS Khopoli Limited (formerly Uttam Galva Steels Limited "AMNSK") for consideration of ₹ 4,922.30 crore 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 crore (including intercorporate deposits of ₹ 362.63 crore to AMNSK) and had subsequently recorded impairment of ₹ 693.30 crore upto 31 March 2021.

As on 31 March 2022 amount of ₹ 3,000.20 crore 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 crore which was treated as an exceptional item in profit and loss account for the year ended 31 March 2022. Further ₹ 588.40 crore was finally impaired on the basis of actual amount received amounting to ₹ 2,411.80 crore as per AMNSK Resolution Plan. Same was disclosed as an exceptional item in profit and loss account for the year ended 31 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 Crore)

Particulars	For the Year Ended 31 March	
	2024	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
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 31 March 2024.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

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 Crore)

As at 31 March

Particulars	2024	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 Crore)

Particulars	Country of Incorporation	% of noncontrolling interest	
		31 March 2024	31 March 2023
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"

The summarised financial information of material subsidiaries are provided below.

Summarised statement of profit and loss for the year ended 31 March, 2024:

(₹ in Crore)

Particulars	Port Entities	
	31 March 2024	31 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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Summarised balance sheet as at 31 March, 2024:

(₹ in Crore)

Particulars	As at 31 March	
	2024	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 Crore)

Particulars	For the year 31 March	
	2024	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 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 31 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%

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Acquisition during the year ended on 31 March, 2023

				Effective holding (%)*		
Name of the Company	Group	Date of Acquisition	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 Paradip 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 31 March, 2024

(₹ in Crore)

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
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

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

Acquisition during the year ended on 31 March, 2023

(₹ in Crore)

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]	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 Crore)

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 31 March, 2023

(₹ in Crore)

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

2A. Summary of financial result of acquiree (since acquisition) the year ended on 31 March, 2024

(₹ in Crore)

Particulars	EVIL
Revenue	15.68
Profit before tax	(2.97)

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

For the year ended 31 March 2023

Particulars	Port	Power	Others	Total
Revenue	519.78	155.75	–	675.53
Profit before tax	186.03	115.95	0.04	302.02

2B. Summary of financial result of acquiree (from the beginning of the financial year) For the year ended 31 March 2024

(₹ in Crore)

Particulars	EVIL
Revenue	150.19
Profit before tax	(123.82)

(₹ in Crore)

For the year ended 31 March 2023

Particulars	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 Crore (Previous year ₹ 675.53 crore) of revenue and loss of ₹ 2.97 Crore (Previous year profit of ₹ 302.02 crore) 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 Crore)

For the year ended 31 March

Particulars	2024	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 31 March, 2024

(₹ in Crore)

Particulars	EVIL
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 31 March 2025 (Contd.)

Analysis of cash flows on acquisition for the year ended on 31 March, 2023

(₹ in Crore)

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 Crore (Previous Year ₹ 6,448.58 Crore) crore 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.

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

58 Borrowings Note

(₹ in Crore)

For the Year 31 March

Particulars	2024	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
(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 crore starting from March 2026 and ₹ 1,250 crore from September 2027 until September 2029 and final bullet repayment of balance ₹ 14,750 crore in March 2030 (Previous Year: Principal amount is repayable in half yearly installment of INR 1000 crore from September 2024 until September 2029 and final bullet payment of INR 13,000 crore 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 September 2023 until March 2033. (Refer note 3)	7,785.39	-
	43,200.52	33,616.02

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(₹ in Crore)

Particulars	For the Year 31 March	
	2024	2023
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

Note:

- 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.
- The Company signed an agreement on 1st March, 2019 with its parent company for the issuance of unsecured INR denominated Bonds worth ₹ 24,000 crore (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 31 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 crore 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 crore from March 2026 and ₹1,250 crore from September 2027, with a bullet repayment of ₹14,750 crore 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."
- 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).

Notes to Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

- 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 Crore. 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 and on behalf of the Board of Directors of Arcelor Mittal Nippon Steel
For S R B C & CO LLP India Limited

Chartered Accountants
Firm Registration No. 324982E/
E300003

Dilip Oommen
Director and CEO
DIN:02285794

Hiroo Ishibashi
Whole Time Director
DIN:10581262

per Pritesh Maheshwari
Partner
Membership Number: 118746

Amit Harlalkar
Chief Financial Officer

Pankaj S Chourasi
Company Secretary

Place: Mumbai
Date: 26th July, 2024

Place: Mumbai
Date: 26th July, 2024





ArcelorMittal Nippon Steel India

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