July 20, 2023

Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

ISIN CODE : INE304A01026
BSE Scrip Code : 500460

Listing Department
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai – 400051
ISIN CODE :INE304A01026
NSE Scrip Name : MUKANDLTD

Dear Sirs,

Sub.: Annual Report for the Financial Year 2022-23 and Notice convening the 85th Annual General Meeting of Mukand Limited

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice of the 85th Annual General Meeting of the Company.

We wish to inform you that the 85th Annual General Meeting of the Company is scheduled to be held on Friday, August 11, 2023 at 11.30 a.m., at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.

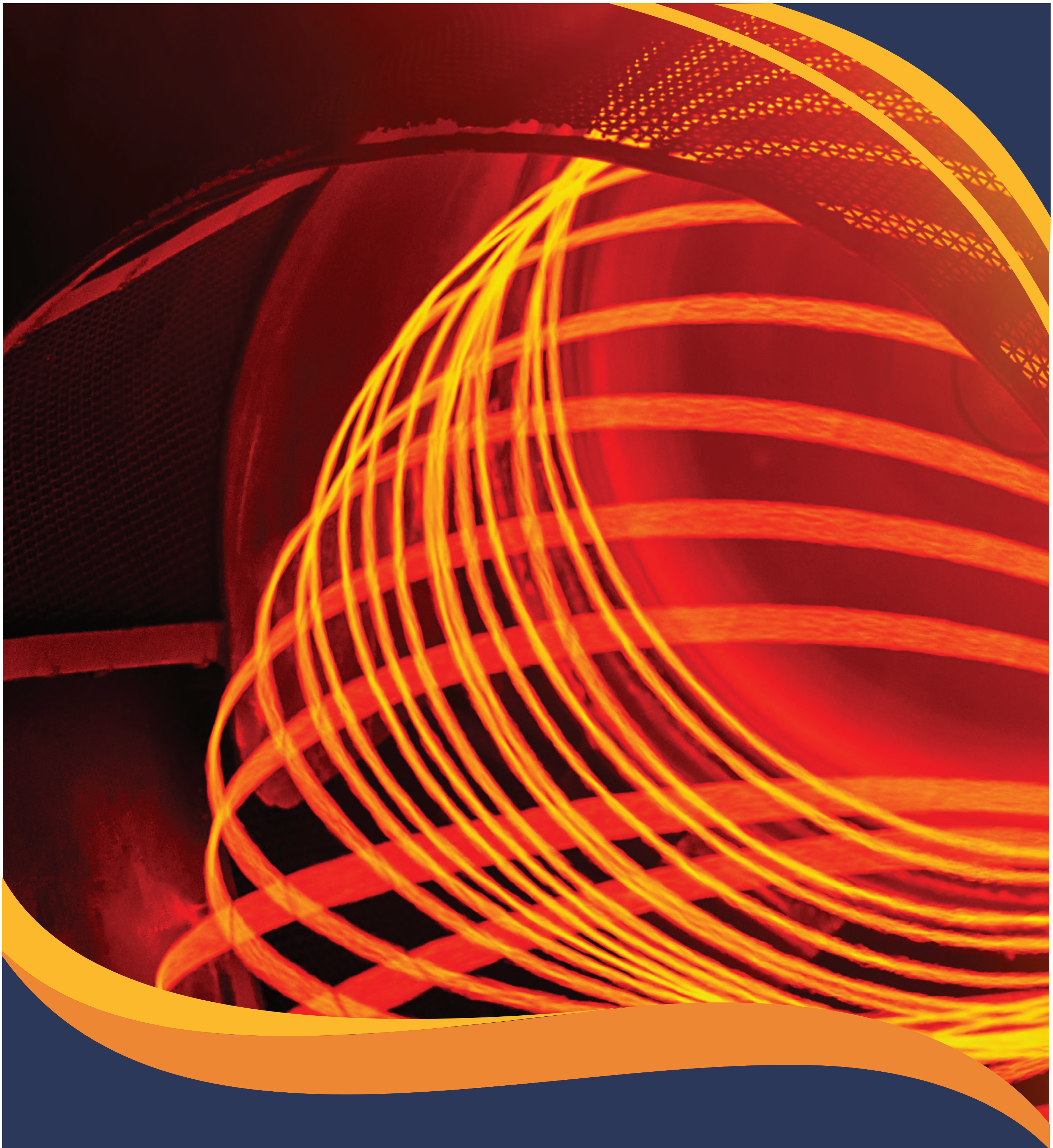
The Notice and Annual Report is also available on the website of the Company at www.mukand.com.

Request you to kindly take the same on your record.

Yours Faithfully
For **Mukand Limited**

Rajendra Sawant
Company Secretary

Encl: as above



85th ANNUAL REPORT

2022-23

BAJAJ MUKAND

SKODA II HORIZONTAL BORING MACHINE
MACHINE ID NO. MBHB-107
SPECIFICATION SKODA-II
SPINDLE DIA — 200 MM
COLUMN TRAVEL HORIZONTAL "X" AXIS 4000 MM
HEADSTOCK VERTICAL TRAVEL "Y" AXIS 4000 MM
RAM TRAVEL — 1600 MM
SPINDLE TRAVEL — 2000 MM
MAX. DIST BETWEEN TWO COLUMNS 16800MM
MIN. DIST BETWEEN TWO COLUMNS 6770 MM
COLUMN
HEAD STOCK
SKODA-I HORIZONTAL BORING MACHINE
MACHINE ID NO. MBHB-106
SPECIFICATION SKODA-I
SPINDLE DIA — 200 MM
COLUMN TRAVEL HORIZONTAL "X" AXIS 4000 MM
HEADSTOCK VERTICAL TRAVEL "Y" AXIS 4000 MM
RAM TRAVEL — 1600 MM
SPINDLE TRAVEL — 2000 MM
MAX. DIST BETWEEN TWO COLUMNS 16800MM
MIN. DIST BETWEEN TWO COLUMNS 6770 MM
COLUMN

MUKAND LIMITED

BOARD OF DIRECTORS AND THE MANAGEMENT TEAM

BOARD OF DIRECTORS

Niraj Bajaj	Chairman & Managing Director
Prakash Mehta	Independent Director
Amit Yadav	Independent Director
Bharti Gandhi	Independent Director
Sankaran Radhakrishnan	Independent Director
A M Kulkarni	Non-Executive Director
Nirav Bajaj	Whole-time Director (w.e.f. May 16, 2023)

THE MANAGEMENT TEAM

Niraj Bajaj	Chairman & Managing Director
Nirav Bajaj	Whole-time Director
Shashibhushan Upadhyay	President
Dhanesh K Goradia	Chief Financial Officer
Rajendra Sawant	Chief, Legal & Company Secretary
V Ratnaprasad Alturi	Chief Executive Officer (Steel Plant, Ginigera)
Gurnam Singh	Chief Business Officer (Industrial Machinery Division)
S V Panse	Chief Executive Officer (Kalwe Steel Plant)

AUDITORS

DHC & Co., Chartered Accountants

ANNUAL GENERAL MEETING

Friday, August 11, 2023 at 11.30 a.m. at
Kamalnayan Bajaj Hall, Bajaj Bhawan,
Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai – 400 021

REGISTERED OFFICE

Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai 400 021

WORKS

Dighe, Thane, Maharashtra 400 605
Ginigera, Karnataka 583 228

CIN : L99999MH1937PLC002726
E-mail : investors@mukand.com
Website : www.mukand.com

TABLE OF CONTENTS


MUKAND
GROSS WEIGHT 58950 KG
MAX PAYLOAD 260000 KG

ABOUT MUKAND

The world we occupy is changing. Driven by a relentless desire for superior steel products, our business approach is centered around innovation-led growth in a sustainable manner. With the traditional boundaries of what is possible forced aside by the exacting demands of the future, our role as one of the top steelmakers in the country is now more critical than ever, and we are aggressively expanding to fortify that position and rise to the occasion. Each day, the products we create for customers all over the globe touch the lives of ordinary people from every walk of life. Whether it's an integral component of a car's transmission to a vital cog in a nuclear reactor that supplies power to millions of people, our products enable life, commerce, and industry. The gravity of what we do isn't lost on any of our employees, people who live, and breathe Mukand. From the management team to the technicians at the production facilities and the scientists tirelessly working on our next big idea, a culture of continuous improvement and an entrepreneurial spirit drives us to push forward, never resting on our laurels, or our 80-year heritage.

Today, Mukand is a far cry from the Company that started operations as a 'Re-Rolling Mill' and a Foundry. With a firm presence across two key sectors, Speciality Steelmaking, focusing on long products and Heavy Machinery, we are a multi-division, multi-product conglomerate, and a vital division of the Bajaj Group of Companies. Through our association with one of the most trusted business houses in India and abroad, we embody the values synonymous with all Bajaj Group Companies; Customer centricity, Trust, and unassailable Integrity.

OUR VISION

Building a brighter tomorrow for our customers, employees and communities through best-in-class engineering products that inspire innovation, quality and excellence.

OUR MISSION

To manufacture and deliver world-class steel products, equipment and solutions using cutting-edge technology that surpass quality benchmarks, develop an empowered and progressive work environment and make a positive impact in communities around us.

OUR CULTURE

Creating the future begins with building & sustaining a work environment where the industry's most qualified professionals drive the workforce, share ideas, and conquer some of the world's toughest challenges.

B

01 Build Entrepreneurial Spirit
We demonstrate owners' mindset by actively seeking out new avenues, embracing change and strive for excellence in everything we do, even during trying times.

E

02 Encourage Inclusivity
We seek passionate people, with diversity of thought and experiences, to build an ecosystem that respects and values different perspectives and caters to their unique needs.

L

03 Lead with Accountability
We hold ourselves and our teams accountable for results in the face of success or failure and push our boundaries each day.

O

03 Obsess Over Customer Success
We preempt the needs of our customers and aim to delight them in every interaction through unmatched experiences.

N

04 Nurture Transparency
We communicate information, ideas and decisions, that need an impact and foster an environment of open exchanges across the organization.

G

05 Grow Through Collaboration
We learn and grow together in boundary- less environment, by trusting implicitly, sharing readily and working cohesively to achieve overall success.

BOARD OF DIRECTORS

Niraj Bajaj
Chairman & Managing Director

Prakash V. Mehta
Independent Director

Bharti R. Gandhi
Independent Director

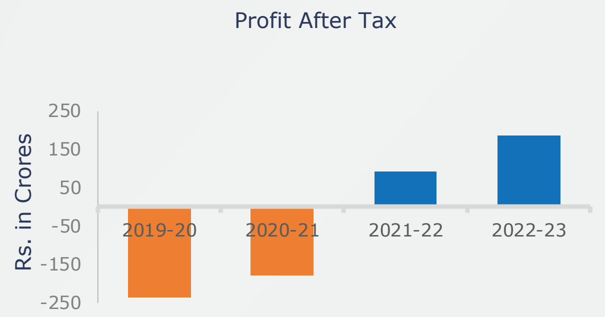
Amit Yadav
Independent Director

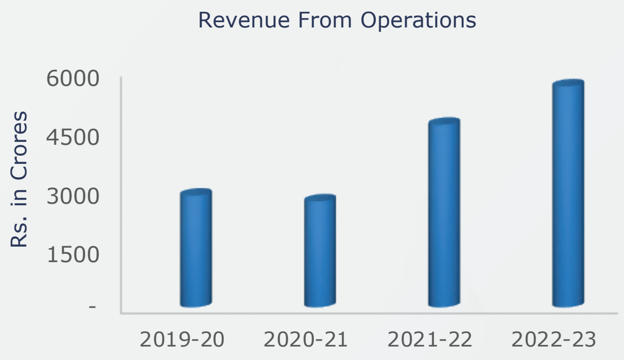
Sankaran Radhakrishnan
Independent Director

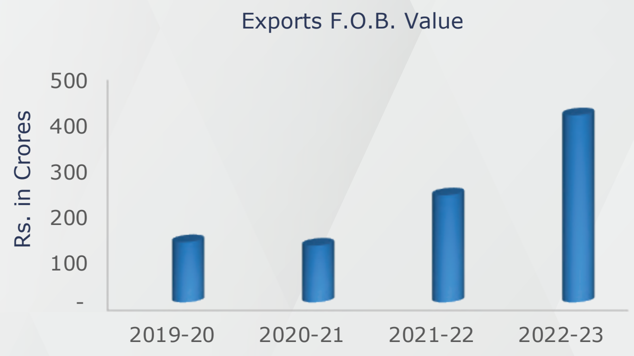
Arvind M. Kulkarni
Non-Executive Director

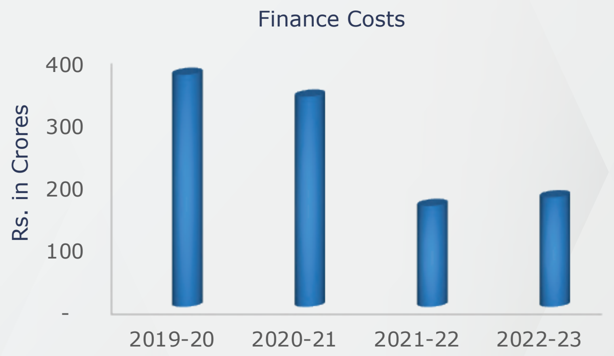
Nirav Bajaj
Whole-Time Director

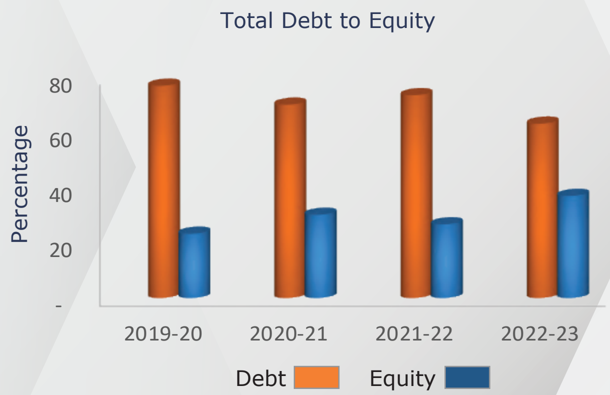
KEY HIGHLIGHTS





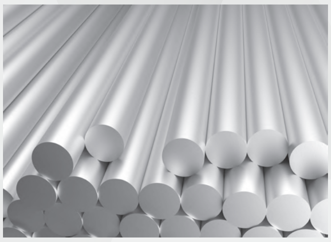






OUR PRODUCTS






Alloy Steel:

Alloy steel, the backbone of the modern era, represents the epitome of strength, resilience, and versatility. By skillfully combining carbon steel with carefully selected alloying elements, we produce our Alloy Steel that exceeds international quality standards. As a distinguished steel manufacturing company, we take great pride in being among the select few in India with the expertise and capabilities to deliver superior-grade alloy steel to the global market. Our alloy steel forms the high-performance core for products that include Transmission Parts, Engine Components, Steering Innards, Bearings, High-Tensile Fasteners, etc in industries ranging from automobiles, manufacturing, energy & power generation, and more, owing to its unparalleled performance and inherent strength.

Stainless Steel:

Stainless steel, renowned for its exceptional corrosion resistance and attractive appearance, has become an indispensable material across numerous sectors. Our state-of-the-art manufacturing plant at Thane, Maharashtra ensures that we produce Stainless Steel, surpassing the expectations of our discerning customers. Our commitment to excellence begins with the selection of premium-grade scrap, which serves as the foundation for our stainless steel production. Our advanced melting facility employs cutting-edge technology to meticulously transform scrap into molten metal, a crucial step in the manufacturing process. This allows us to have full control over the composition and quality of the stainless steel we produce, resulting in a superior end product.

Industrial Machinery

Driven by passion and led by visionary ideas, we design & manufacture custom heavy machinery & equipment that are synonymous with high precision, unmatched engineering, and exceptional durability. We have been at the forefront of heavy machinery design & manufacturing for over six decades, from our very first EOT crane to crafting something unique for the Country's Space Program (with ISRO), our Industrial Machinecy Division's comprehensive product portfolio forms the backbone of many of India's leading Manufacturing Companies and Ports. We are one of the few heavy machine producers in India with the capability to handle the entire product cycle of design, engineering, manufacturing, supply & erection, commissioning, and after-sales service.

OUR
CSR INITIATIVES




At our manufacturing company, we firmly believe in giving back to the communities we operate in. As part of our Corporate Social Responsibility (CSR) efforts, we have undertaken various initiatives in Shahpur, one of the largest Talukas in Thane District. As part of our CSR programmes, our focus has been on supporting education and nourishment for the school students in the region and providing them with the sound infrastructure conducive to learning. Here is a brief of some of the activities undertaken in the year 2022-23

Nutritious Food for School Students:

Recognizing the importance of nourishment in facilitating optimal learning and development, we partnered with the Yamuna Trust from Bajaj Group to undertake a project of distributing nutritious food to students in Shahpur. More than 9,000 students across the 44 schools benefitted from this initiative. Our dedicated team ensures efficient coordination and delivery, guaranteeing that the raw materials are promptly available to the individuals involved in making these ladoos. Furthermore, we place great emphasis on the training and development of the women engaged in this project and conduct regular training sessions to enhance their skills and knowledge.

Stationery and Uniforms for School Students:

In addition to the distribution of nutritious food, we took the responsibility of arranging school uniforms and stationery materials for the students across all 44 schools in Shahpur. This not only instilled a sense of pride and belonging among the students but also alleviated the financial burden on their families.

Annual Road Race for School Students:

One of the key highlights of our CSR activities in Shahpur was the successful organization of the 3rd edition of our annual road race for school students. This event, which brought together around 900 students from 44 schools, aimed to promote physical fitness, sportsmanship, and community engagement amongst the students.

MUKAND LIMITED
(CIN: L99999MH1937PLC002726)
Registered Office: Bajaj Bhawan,
Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai – 400021
Tel: 022–61216666
E-mail: investors@mukand.com,
Website: www.mukand.com

To the Members,

NOTICE is hereby given that the **85th ANNUAL GENERAL MEETING** of the Members of **MUKAND LIMITED** will be held on Friday, August 11, 2023 at 11.30 a.m., at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited standalone financial statements and audited consolidated financial statements of the Company for the year ended March 31, 2023, together with the Report/s of the Board of Directors and the Auditors thereon.

2. To declare dividend on 8% Cumulative Redeemable Preference Shares at the rate of 8% on paid up value of shares for the financial year ended March 31, 2023.

3. To declare a dividend on Equity Shares at the rate of Rs. 2/- (Rupees Two) per equity share for the financial year ended March 31, 2023.

4. To appoint a Director in the place of Shri A M Kulkarni, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To appoint Shri Nirav Bajaj as Whole-time Director and fix remuneration payable to him

To consider and pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 161, 178, 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, statutory modification or re-enactment thereof for the time being in force) the SEBI (Listing Obligation & Disclosures Requirement) Regulations, 2015, and based on recommendation of Nomination & Remuneration Committee of the Board, approval of the members of the Company be and is hereby accorded to the appointment of Shri Nirav Bajaj (DIN 08472468) as Whole-time Director of the Company for a period of 3 (Three) years with effect from May 16, 2023, liable to retire by rotation, upon the terms and conditions including remuneration as set out in the explanatory statement relating to this resolution annexed to the Notice, with liberty and powers to the Board of Directors (which term shall be deemed to include any Committee thereof) to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Shri Nirav Bajaj, within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013 or otherwise, the Board of Directors be and is hereby authorised to vary or increase or revise the remuneration of Whole-time Director from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time, without any further reference to the Members of the Company in General Meeting.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein above or in the terms and conditions of his appointment, where in any financial year, during the tenure of Shri Nirav Bajaj as Whole-time Director of the Company, the Company has no profits or its profits are inadequate, Shri Nirav Bajaj will be paid, then current remuneration (including fixed salary, variables and increments thereto excluding retirement benefits) as minimum remuneration subject to necessary approvals and compliances as per the applicable provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, proper or expedient and to execute all such documents, instruments and writings as may be required and delegate all or any of their powers herein conferred to any Committee of director(s) to give effect to the above resolution."

6. Ratification of Cost Auditor's Remuneration

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 as amended ("the Act") and the Companies (Audit and Auditors) Rules, 2014 and other applicable Rules and provisions if any, of the Act, and as per the recommendation of the Audit Committee, remuneration of Rs.1,20,000/- (Rs. One Lakh Twenty Thousand Only) plus reimbursement of actual travelling and other out of pocket expenses and applicable taxes to be paid to M/s. Y. R. Doshi & Co., Cost Accountants (Firm Registration No. 000003) as Cost Auditors, for conducting the audit of cost records of the Company for the financial year 2023-24, as considered approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any Committee of the Board), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

7. General approval for issue of Redeemable Non-convertible Debentures on private placement basis

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, including any statutory modification(s) or re-enactment thereof, for the time being in force, in supersession of the earlier resolution passed in this regard by the members at their 84th Annual General Meeting, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to offer or invite subscriptions for secured / unsecured redeemable Non-convertible Debentures (NCDs), in one or more series / tranches, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s) and/ or officer(s) of the Company, to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all acts, deeds matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto."

By Order of the Board of Directors
For **MUKAND LIMITED**

Rajendra Sawant
Company Secretary
Mumbai, May 16, 2023

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN AGGREGATE SHARES NOT MORE THAN 10 PERCENT OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER

   Proxies submitted on behalf of companies must be supported by an appropriate Resolution/Authority, as applicable. Members may please note that a Proxy does not have the rights to speak at the Meeting and can vote only on poll.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.

3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to khamankarcs@gmail.com with a copy marked to investors@mukand.com

4. Explanatory Statement pursuant to section 102 (1) of the Act in respect of special business set out in this Notice is annexed hereto. The Notice of Meeting will also be available on the Company's website www.mukand.com and the website of KFIN Technologies Limited (formerly known as KFIN Technologies Private Limited) at https://evoting.kfintech.com

   Brief profile of the Directors seeking appointment / re-appointment at AGM, is annexed hereto as per requirements of regulation 36(3) of SEBI LODR, 2015 and provisions of the Act.

5. Institutional Investors, who are members of the Company are encouraged to attend and vote at the 85th AGM of the Company.

6. The SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA of the Company viz. KFin Technologies Limited ('KFintech').

7. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's www.mukand.com, website of the Stock Exchanges i.e. BSE & NSE at www.bseindia.com and www.nseindia. com, respectively and on the website of Company's RTA at https://evoting.kfintech.com

8. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form, where shares are held in physical form, members are advised to register their e-mail address with KFintech. In case of queries, members are requested to write to einward.ris@kfintech.com or call at the toll-free number 1800-309-4001

9. With a view to helping us serve the members better, members who holds shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

10. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty, elimination of any possibility of loss of documents and bad deliveries.

11. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Annual General Meeting.

12. The Company has been maintaining, *inter alia*, following statutory registers at the registered office of the Company:

    (a) Register of contracts or arrangements in which directors are interested under section 189 of the Act.

    (b) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act

    In accordance with the MCA circulars, the said registers shall be made accessible for inspection through electronic mode without any fee during the continuance of the meeting. Members seeking to inspect such documents can send their email to investors@mukand.com

13. Pursuant to section 72 of the Act, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the website of the Company) with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.

14. The Route Map is annexed in this Notice.

15. In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the Cut-off Date for e-voting, i.e., August 4, 2023 (End of day), such person may obtain the User ID and Password from RTA/KFintech by e-mail request on einward.ris@kfintech.com

Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e- mail id at investors@mukand.com for obtaining the Annual Report and Notice of AGM.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

17. Members desirous of getting any information about the accounts and operations of the Company are requested to address their query to the Company Secretary at the Registered Office or email at secretarial@mukand.com OR investors@mukand.com well in advance so that the same may reach him at least 7 days before the date of the meeting to enable the Management to keep the required information readily available at the meeting.

18. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS (E-VOTING):

i. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting facility through the e-voting service ('remote e-voting') provided by KFin Technologies Limited (KFintech) on all resolutions set forth in this Notice, before the AGM.

ii. **The remote e-voting period commences on August 07, 2023 at 9.00 A.M. (IST) and ends on August 10, 2023 at 5.00 P.M. (IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on "Cut-off date" i.e., August 04, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by KFintech for voting thereafter. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.**

iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date i.e., August 04, 2023.

iv. **LOGIN METHOD FOR REMOTE E-VOTING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:**

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e- voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail id with their DPs in order to access e-voting facility.

Type of shareholders	Login method
Login method for Individual shareholders holding securities in demat mode with NSDL	**A. Users registered for NSDL IDeAS facility.** i. Open web browser by typing the URL: https://eservices. nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. ii. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "**Access to e-voting**" under e-voting services and you will be able to see e-voting page. iii. Click on options available against Company name or e-voting service provider – Kfintech and you will be re- directed to e-voting service provider website for casting your vote during the remote e-voting period.
	B. Users not registered for IDeAS e-Services: Option to register is available at https://eservices.nsdl.com Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

	C. By visiting the e-voting website of NSDL: i. Visit the e-voting website of NSDL. Open web browser by typing the URL: https://www. evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the "**Login**" icon, available under the "**Shareholder/ Member**" section. ii. A new screen will open. Enter your User ID (i. e. your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. iii. Click on options available against Company name or e-voting service provider – **KFintech** and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with CDSL	**A. Existing users who have opted for Easi/Easiest:** i. URL to login to Easi/Easiest: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on login icon and select New System Myeasi ii. Shareholders can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. iii. After successful login on Easi/Easiest, the user will also be able to see the e-voting menu. The menu will have links of ESPs. Click on **KFintech** to cast your vote.
	B. Users who have not opted for Easi/Easiest: Option to register for Easi/ Easiest is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration and proceed with completing the required fields.
	C. By visiting the e-voting website of CDSL: i. The user can directly access e-voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile no. and e-mail id as recorded in the demat account. ii. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of ESP i.e. **KFintech**

Type of shareholders	Login method
Individual Shareholders (holding securities in demat mode) logging in through their depository participants	i. Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option. ii. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. iii. Click on options available against the Company name or e-voting service provider-**KFintech** and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Members facing any technical issue – NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in logging in can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

Login method for remote e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode are as follows:

i. Initial password is provided in the body of the email.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com, in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your votes. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

iv. You need to login again with the new credentials.

v. On successful login, the system will prompt you to select the EVENT i.e. "**Mukand Limited**" On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

vi. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

vii. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through e-mail at khamankarcs@gmail.com and may also upload the same in the e-voting module in their login.

The scanned image of the above documents should be in the naming format "MUKAND LIMITED EVENT No.'

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the 'download' section of https://evoting.kfintech.com or call KFintech on 1800-309-4001 (toll free).

B. VOTING AT AGM:

i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting, through Instapoll. Members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

ii. Members who wish to cast their vote in the Annual General Meeting are requested to keep their DP ID / Client ID and Folio number available for Instapoll.

iii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their vote again.

C. GENERAL INSTRUCTIONS:

i. The Board of Directors has appointed Shri Anant B Khamankar of M/s. Anant B Khamankar & Co., Practising Company Secretary, (FCS No. 3198, CP No. 1860) Mumbai, as the Scrutinizer to the e-voting process and voting at the AGM in a fair and transparent manner.

ii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting in the presence of at least two (2) witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company or any other person authorised by him after completion of the scrutiny.

iii. The Scrutinizer shall submit his report after taking into account votes cast at the AGM as well as through remote e-voting to the Chairman or any person authorised by him for this purpose, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website at www.mukand.com and on the website of KFintech at https://evoting.kfintech.com and shall also be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the AGM of the Company.

19. Dividend related information for equity and preference shares:

Board of Directors have recommended following dividends for the financial year 2022-23 for the approval of the shareholders at the ensuing AGM –

a. Dividend of Rs.2/- (20%) per equity share of Rs. 10/- each

b. Dividend @ 8% per Unlisted 8% Cumulative Redeemable Preference Shares of Rs.10/- each.

In this regard, members may take note of the notes/information provided below:

- **Closure of Register of Members/Share Transfer Books:** Pursuant to the provisions of section 91 of the Act and regulation 42 of the Listing Regulations, the register of members and share transfer books of the Company will remain closed from July 29, 2023 to August 11, 2023 (both days inclusive) for the purpose of payment of dividend.
- **Record date for dividend:** Record date for determining eligible members for payments of aforesaid dividend (equity shares and 8% CRPS) is Friday, July 28, 2023 (end of day)
- **Credit of Dividend:** Subject to the provisions of section 126 of the Act, dividend on equity shares, if declared at the AGM, will be credited/dispatched on Friday, August 18, 2023 and / or Saturday, August 19, 2023 as under:

  a) to all those shareholders holding shares in physical form, as per the details provided by share transfer agent of the Company i.e. KFintech to the Company, as of or before the closing hours on July 28, 2023; and

  b) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on July 28, 2023.
- **Tax Deduction at Source ('TDS'):** The Finance Act, 2020 has abolished the Dividend Distribution Tax ('DDT') and has introduced the system of dividend taxation in the hands of the shareholders with effect from 1 April 2020. Accordingly, the Company would be required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident).

Resident Shareholders:

Tax shall be deducted at source under section 194 of the IT Act at the rate of 10% on the amount of dividend declared and paid by the Company during financial year ('FY') 2023-24. However, in the following cases, TDS at the rate of 20% would be applicable as per the IT Act:

Section 206AA of IT Act

- In case where, PAN is not available/ submitted, or PAN submitted is invalid or;
- In case PAN is not linked with Aadhaar in accordance with the provisions laid down under section 139AA of the IT Act, then such PAN shall deemed to be inoperative/invalid and TDS will be deducted at higher rate as per section 206AA of the IT Act; and
- TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar

  As per Section 139AA of the Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act. The Company will be using the online functionality of the Income-tax department for the above purpose and no claim shall be made against the Company for such tax deduction(s). As per CBDT circular 03/2023 dated 28th March 2023, the last date for linking PAN with Aadhar ended on 30th June 2023. If shareholder has not linked his PAN with Aadhaar and is not a part of any exemption under the provisions of sub section (3) of section 139 AA, shareholders are requested to kindly do so, to avoid higher Tax deduction by visiting the CBDT website at www.incometax.gov.in

Section 206AB of IT Act - In case of 'specified person'.

- "Specified person" means a taxpayer who has not filed income tax return of previous year (i.e., FY2021-22) and in whose case the aggregate of TDS and TCS in said previous year is ₹ 50,000 or more;
- The Company would rely on the online functionality of the Income tax Department to check the status of specified person and shall accordingly determine the applicable TDS rate. The Company shall not rely on any declaration in relation to non-applicability of provisions of section 206AB of the IT Act.

Further, no tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said resident individual from the Company during the financial year does not exceed ₹ 5,000.

Tax will not be deducted at source in case where a shareholder provides Form 15G (where applicable)/Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are met and shareholder holds valid PAN or PAN is linked with Aadhaar.

NIL/lower tax shall be deducted on the dividend payable to resident shareholder on submission of relevant documents. Kindly note that the aforementioned documents should be uploaded with KFin at https://ris.kfintech.com/form15/ or emailed to einward.ris@kfintech.com. No communication on tax determination / deduction shall be entertained after Friday, 28 July 2023.

The above referred documents submitted by shareholders will be verified by the Company and the Company will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of IT Act.

Non-resident Shareholders:

Tax is required to be deducted at source in case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the Act, the TDS on dividend shall be @ 20% plus applicable surcharge and health & education cess. For FII/ FPI shareholders, section 196D of the IT Act provides for TDS @ 20% plus applicable surcharge and health & education cess.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ('DTAA') read with applicable Multilateral Instrument ('MLI') provisions if they are more beneficial to them.

In order to claim the benefit of DTAA, the non-resident shareholders will have to provide required documents/ declarations. Kindly note that the said documents should be uploaded with KFin at https://ris.kfintech.com/form15/ or emailed to einward.ris@kfintech.com.

No communication on the tax determination / deduction shall be entertained after **Friday, 28 July 2023**. The required documents / declaration submitted by shareholders will be verified by the Company and the Company will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting the requirement of the IT Act read with applicable DTAA. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividend.

In addition to the above, please note the following:

- In case shareholder hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- Further, if a resident/ non-resident shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company (TAN - MUMM29367C), tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the details/ valid documents mentioned in preceding paragraphs from the shareholders within the timeline mentioned above, the shareholders may consider claiming appropriate refund, as may be eligible in their return of income. No claim shall lie against the Company for such taxes deducted.

The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email ID within the prescribed time, post payment of the said dividend, if approved in the AGM. The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) on the e-filing website of the Income Tax department of India at https://www.incometax.gov.in/home.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operate in any assessment/appellate proceedings before the Tax/Government authorities.

The Company will be sending out individual communication to shareholders through KFin. In the communication, step by step procedure for sharing/ uploading the aforementioned documents will be provided.

FAQs relating to the above are hosted on the website of KFin (kfintech.com) and also on the website of the Company at https://www.mukand.com/investors/shareholder-info/forms/.

By Order of the Board of Directors
For **MUKAND LIMITED**

Rajendra Sawant
Company Secretary
Mumbai, May 16, 2023

Annexure to the Notice

EXPLANATORY STATEMENT

[Pursuant to section 102(1) of the Companies Act, 2013 ("Act") Read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following explanatory statement sets out all material facts relating to business mentioned under the accompanying Notice].

Item No.5

Pursuant to the provisions of Section 161 and 178 of the Companies Act, 2013 ('the 'Act'), the Board of Directors of the Company at its meeting held on May 16, 2023 on recommendation of the Nomination and Remuneration Committee, appointed Shri Nirav Bajaj (DIN: 08472468) as Whole-time Director of the Company, for a period of 3 (three) years with effect from May 16, 2023 subject to approval of shareholders, on the terms and conditions including remuneration as set out herein below.

Shri Nirav Bajaj, Whole-time Director shall carry out such duties and perform such other functions and services as shall, from time to time, be assigned / entrusted to him by the Board of Directors.

1. Term of office :

Name	Designation	Period
Nirav Bajaj	Whole-time Director	3 years with effect from May 16, 2023

The Whole-time Director shall be liable to retire by rotation. The retirement by rotation and re-appointment of the Whole-time Director at the Annual General Meetings of the Company during his tenure of service, shall not be considered as cessation of his office as Whole-time Director.

2. Remuneration

(a) Salary and Perquisites

Basic Salary - Rs. 97,386/- per month

House Rent Allowance – Rs. 38,945/- per month

Professional Development Allowance – Rs. 62,980/- per month

Special Allowance – Rs.44,519/- per month

Leave Travel Allowance – Rs.8,112/- per month

Shri Nirav Bajaj shall be also entitled to variable pay as per Variable Pay Policy and recommended by Nomination and Remuneration Committee of the Company.

The annual revision of salary will be subject to the approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, provided the same shall remain within the limits specified under Schedule V to the Companies Act, 2013.

(b) Other Perquisites

i. Company's contribution to Provident Fund, Superannuation Fund /Annuity Fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961 (43 of 1961);

ii. Gratuity at the rate of half a month's salary for each completed year of service; and

iii. encashment of leave at the end of the tenure.

The other perquisites mentioned at (b) above shall not be included in the computation of perquisites for the purpose of ceiling on remuneration.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, including but not limited to the remuneration payable to Shri Nirav Bajaj as Whole-time Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

Minimum Remuneration: In the absence or inadequacy of profits in any financial year, Shri Nirav Bajaj, Whole-time Director may be paid aforesaid remuneration by way of salary, perquisites, and other allowances as minimum remuneration subject to the provisions of Section II of Part II of Schedule V to Companies Act, 2013, as applicable. The perquisites mentioned in para 2 (b) of this statement shall not be included in the computation of the ceiling on minimum remuneration.

However, remuneration in excess of the limits prescribed in Schedule V to the Companies Act, 2013 as mentioned above may be paid, if the resolution passed by the shareholders, is a special resolution. Therefore, approval of the Shareholders by special resolution is sought for payment of remuneration to Whole-time Director from date of passing this resolution, for a period of 3 years.

The payment of remuneration is approved by a resolution passed by the Board of Directors at its meeting held on May 16, 2023 on recommendation of Nomination and Remuneration Committee.

The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditors.

The special resolution is proposed for payment of remuneration for a period not exceeding three years.

Profile of Shri Nirav Bajaj

Shri Nirav Bajaj, is a Mechanical Engineer from Brunel University by education, spent time consulting at Bain & Company & Roland Berger in India. He joined Hercules Hoist Ltd (HHL) in 2014. At HHL, Shri Nirav Bajaj focused on projects related to product rationalization and new product development. He also helped to implement Theory of Constraints and develop new growth strategies.

He returned to the family business upon graduating from Harvard Business School in 2019 and joined Mukand Limited in August month in the same year. Shri Nirav Bajaj also played National Level Squash during his schooling days.

Information pursuant to clause (iv) of the third proviso to Section II, Part II of Schedule V to the Companies Act, 2013 is furnished here under

I. GENERAL INFORMATION:

a) Nature of industry:

Manufacture of special alloy steel / stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment and other industrial machinery and comprehensive engineering services.

b) Commencement of commercial production:

Date of commencement of business: February 09, 1938.

The Company's plant for manufacture of steel and industrial machinery are already in commercial production.

c) Financial performance based on given indicators:

The financial performance of the Company as reflected by total income, loss, earning per share and dividend recommended for the financial year ended March 31, 2023 is as under:-

Total Revenue (Rs. in crore)	6,203.47
Profit after tax (Rs. in crore)	185.48
Earnings per share (in Rs.)	12.84
Rate of Dividend (Equity Share) [in Rs. per share]	2

d) Foreign investments or collaborations:

Mukand International FZE, overseas wholly owned subsidiary of the Company incorporated in the Jebel Ali Free Trade Zone (Liquidated w.e.f. December 26, 2022). The Company has entered into a Master Agreement with Sumitomo Corporation, Japan and formed a JV / Subsidiary viz. Mukand Sumi Metal Processing Limited (Joint Venture / Subsidiary till September 29, 2022, thereafter wholly owned subsidiary). The Company has also signed Joint Venture Agreement with Sumitomo Corporation, Japan for carrying on alloy steel rolling and finishing business through group company (subsidiary till December 31, 2020) Mukand Sumi Special Steel Limited.

II Information about the appointees		
Nature of Information	Nirav Bajaj	
Background details	Refer Explanatory Statement and 'Profile of Director' annexed to this notice	
Past remuneration	The gross remuneration drawn by the appointees during the past 3 years is as under	
	Year	Rs. in crore
	2020-21	0.25
	2021-22	0.27
	2022-23	0.41
Recognition or awards	--	
Job profile and Suitability	Shri Nirav Bajaj, Whole-time Director shall carry out such duties and perform such other functions and services as shall, from time to time, be assigned / entrusted to him by the Board of Directors. Refer profile of director in Explanatory Statement above for suitability of director.	
Remuneration proposed	As mentioned above in the Explanatory Statement under section 102 of the Companies Act, 2013.	

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration proposed takes into consideration nature and size of business operations; the qualifications, experience and contribution of appointee to continue operations of the Company in difficult times; present trends and norms observed in the steel industry for payment of managerial remuneration by companies of comparable size and nature of business. The proposed remuneration is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	He is related to Shri Niraj Bajaj, Chairman and Managing Director. He is also part of Promoter Group.
III. Other information	
Reasons of loss or inadequate profits	The Company had inadequate profits and / or has incurred losses in last few years mainly on account of adverse business conditions and higher finance costs. However, the Company has recorded profits in the year 2021, 2022 and 2023. The computation prescribed under section 198 of the Companies Act, 2013 (the Act) reflects inadequacy of profits to pay remuneration to Managerial Personnel within the overall limits laid down under section 197 of the Act.
Steps taken or proposed to be taken for improvement	The Company has taken series of strategic and operational measures that is expected to result in the improvement in the performance and operational and financial results of the Company.
Expected increase in productivity and profits in measurable terms.	Total revenue of the Company for FY 2022-23 was Rs. 6,203.47 crore. Barring unforeseen circumstances, the total revenue is expected to be improved further in FY 2023-24. The margins too are expected to show improvement with anticipated reduction in operating costs and finance costs.

Shri Nirav Bajaj holds 1,154 equity shares (0.001%) in the Company, and to that extent he may be deemed to be concerned or interested in the Resolution.

None of the Directors of the Company, except Shri Niraj Bajaj, Chairman and Managing Director, is in any way, concerned or interested in the Resolution.

This resolution at item no. 5 is being proposed as a special resolution in view of the relevant provisions of Section 196 and Schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits.

The Board recommends the Special Resolution at Item no. 5 of the Notice for approval by the members.

Item No.6

The Board of Directors of the Company at its meeting held on May 16, 2023, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Y R. Doshi & Co., Cost Accountants (Firm Registration No.000003) to conduct the audit of the cost records of the Steel Plants at Kalwe and Hospet and Engineering Contracts and Industrial Machinery Division etc. at Kalwe for the financial year ending March 31, 2024, on a remuneration of Rs.1,20,000/- (Rs. One Lakh Twenty Thousand Only) plus reimbursement of actual travelling and other out of pocket expenses plus taxes applicable.

In accordance with the provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary resolution as set out at Item no. 6 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution. The Board recommends the Ordinary Resolution set out at Item no. 6 of the Notice for approval by the members.

Item No.7

Section 42 of the Companies Act, 2013 deals with private placement of securities by a company. Sub-rule (2) of the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 states that where the proposed amount to be raised through an offer or invitation to subscribe for Non-Convertible Debentures (NCDs) exceeds the limit as specified in clause (c) of sub-section (1) of section 180, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations for such debentures during the year. In order to augment long term resources for financing, *inter alia*, the ongoing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured / unsecured NCDs in one more series or tranches.

Accordingly, in supersession of earlier resolution passed in this regard by the members at Company’s 84th AGM held on August

10, 2022, general consent of the members is being sought for passing a Special resolution as set out at Item no. 7 of the Notice for issue of secured/unsecured redeemable NCDs on a private placement basis, from time to time, for a year from the date of passing of this resolution, in one more series or tranches. The NCDs would be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions. This Resolution enables the Board of Directors of the Company to offer or invite subscription for NCDs, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

The Board recommends the Special Resolution at Item no. 7 of the notice for approval by the members.

By Order of the Board of Directors
For **MUKAND LIMITED**

Rajendra Sawant
Company Secretary
Mumbai, May 16, 2023

Annexure to the Notice

Profile of Director

Brief profile of Director seeking appointment / re-appointment at the Annual General Meeting

(Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

Name of Director	**Arvind Madhav Kulkarni**	**Nirav Bajaj**
Current Designation	Non Executive Director	Whole-time Director
DIN of Director	01656086	08472468
Nationality	Indian	Indian
First appointment on Board	June 28, 2022	May 16, 2023
Board meetings held /attended FY:2022-23	4/4 (Board Meetings held after appointment of Shri A M Kulkarni)	N.A.
Membership/ Chairmanship of Committees in other public companies as on March 31, 2023.	--	--
Equity Shareholding in Mukand Ltd. as on March 31, 2023	3,520	1,154
Relationship between directors *inter-se* and other KMP of the Company	He is not related to any directors or key managerial personnel of the Company	He is related to Shri Niraj Bajaj, Chairman and Managing Director
Terms and conditions of appointment with details of remuneration last drawn	Director liable to retire by rotation and refer explanatory statement for further details	Director liable to retire by rotation and refer explanatory statement for further details
List of Directorships in other companies as on March 31, 2023	Mukand Sumi Metal Processing Limited Hospet Steels Limited (Resigned w.e.f. April 12, 2023) Bombay Forging Limited (Resigned w.e.f. April 12, 2023)	Hercules Hoists Limited Hospet Steels Limited Clean NRG Technik Pvt Ltd Indef Manufacturing Limited

Directors' Report

1. Your Directors present the 85th Annual Report along with the Audited Financial Statements of the Company for the year ended March 31, 2023.

2. Financial Results

Standalone Financial Highlights (Rs. in crore)

Description	Financial Year 2022-23	Financial Year 2021-22 (Restated)
Total Income	**6,203.47**	4,676.02
Earnings before Interest, Depreciation and Tax	**408.27**	263.24
Interest (net) and Depreciation	**214.00**	197.54
Profit / (Loss) before Tax	**194.27**	65.70
Excess / (short) provision tax for earlier years (net)	**(3.99)**	-
Current Tax / Deferred Tax Credit / (charge) (net)	**(4.80)**	25.92
Profit/(Loss) for the year	**185.48**	91.62
Other Comprehensive Income (net)	**5.74**	(2.56)
Total Comprehensive Income	**191.22**	89.06
Earnings per Share (in Rupees)	**12.84**	6.34

3. Financial Performance and the State of Company's affairs

The total income for the year is higher at Rs. 6,203.47 crore as compared to Rs.4,676.02 crore in the previous year. Profit after Tax for the year is at Rs. 185.48 crore as against profit after tax of Rs. 91.62 crore in the previous year.

The revenue of the Steel division stood at Rs. 5,480.18 crore for the year as against Rs. 4,537.12 crore of the previous year while the Industrial Machinery Division recorded revenues of Rs. 138.18 crore as against Rs. 105.81 crore of the previous year.

4. Dividend & Transfer to reserve

The Directors recommend dividend @ 8% on 8% Cumulative Redeemable Preference Shares of Rs.10/- each issued in FY 2019-20.

The Directors also recommend dividend @ Rs. 2 per equity share for the year under Report.

Dividend Distribution policy: pursuant to provisions of SEBI Listing Regulations, 2015, as amended, the Board of Directors of the Company at its meeting held on May 25, 2021 has formulated a dividend distribution policy of the Company. The said policy has been uploaded on the website of the Company and can be accessed at https://www.mukand.com/wp-content/uploads/2021/08/Dividend_Distribution_Policy.pdf

5. Amalgamation of Group Companies

The National Company Law Tribunal vide its order pronounced on April 29, 2022 has sanctioned the Scheme of Amalgmation amongst Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited (MGFL) with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company. The Appointed Date of the said Scheme of Amalgamation is April 01, 2019. The Company has filed certified copy of NCLT order with Registrar of Companies on May 31, 2022, accordingly the Scheme of Amalgamation has become effective from May 31, 2022.

Therefore, the above financials statement include the effect of amalgamation of these companies.

6. Joint Venture and Other

Mukand Sumi Metal Processing Limited (MSMPL)

The National Company Law Tribunal vide its order dated May 12, 2022, read with corrigendum order dated June 30, 2022, sanctioned Scheme Arrangement amongst MSMPL and MSSSL and their respective shareholders and creditors, for demerger for Alloy Steel Business of MSMPL to Mukand Sumi Special Steel Limited (MSSSL). The Appointed Date for said Scheme of Demerger is April 01, 2020. The said Scheme of Demerger has been made effective from August 23, 2022. After demerger, MSMPL continues to carry on the business of cold finished stainless steel bars and wires.

On September 30, 2022, the Company acquired 1,33,77,000 equity shares, constituting 49% of equity share capital of MSMPL at price of Rs.39.701 per share aggregating to Rs.53,10,85,048/- from Sumitomo Corporation (SC), Japan. MSMPL became wholly owned subsidiary of the Company with effect from September 30, 2022.

Mukand Sumi Special Steel Limited (MSSSL)

MSSSL is a Joint Venture with Sumitomo Corporation (SC), Japan in the Business of manufacturing and marketing Alloy Steel bars and rods including cold finished Alloy Steel Bars and Rods.

As per the Scheme of Arrangement for demerger of Alloy Steel Business of MSMPL to MSSSL approved by the National Company Law Tribunal vide its order dated May 12, 2022, MSSSL allotted equity shares to shareholders of MSMPL in ratio of 53 fully paid up equity shares of Rs.10/- each of MSSSL for every 287 fully paid up equity shares of Rs.10/- each held in MSMPL. Accordingly, the Company was allotted 25,71,150 equity shares constituting 5.51% of the equity share capital of MSSSL.

7. Finance

Share Capital

The paid-up equity share capital as on March 31, 2023, was Rs.144.51 crore.

On June 17, 2022, the Company allotted 30,89,702 equity shares of Rs.10/- each to the eligible shareholders of Mukand Engineers Limited in the ratio of 5 (Five) fully paid equity shares of Mukand Limited for every 13 (Thirteen) fully paid up equity shares held by them of Mukand Engineers Limited as on June 10, 2022 (Record Date), pursuant to the Scheme of Amalgmation amongst Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company.

Monetization of assets

On January 05, 2023, the Company completed the transfer of 45.94 acres of the surplus land at Kalwe / Dighe by executing the necessary Deeds of Conveyance in favour of the Purchaser – AGP DC Infra Two Private Limited for aggregate consideration of Rs.796.46 crores and received the entire consideration.

Material Changes & Commitments

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report. Management expects to recover carrying amount of all its assets as appearing in the financial statements as at March 31, 2023.

Fixed Deposits

The Company re-paid (including transfer to IEPF) an amount of Rs. 0.30 crore in accordance with the Companies (Acceptance of Deposits) Rules 2014. The matured & unclaimed deposits as at the end of the year were Rs.0.12 crore. There has been no default in repayment of deposits or payment of interest during the year. With effect from January 20, 2022, the Company has started accepting Fixed Deposits from its esteemed shareholders which has a lock in period of three years and additional facility like monthly interest on a single deposit of Rs. 0.01 crore and above.

The Company has revised rate of interest with effect from November 01, 2022 as follows:

Shareholders - Rate of Interest 7.50% for 3 years

Senior Citizen Shareholders - Rate of Interest 7.75% for 3 years

During the year the Company has accepted the deposits of Rs.26.88 crores from the members. The total outstanding deposits as on March 31, 2023 was Rs.43.04 crore. There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Credit Rating

The rating agency Acuite Ratings & Research Limited (“ACUITE”) vide its letter dated January 03, 2023, has reaffirmed the ratings of various credit facilities / exposures of the Company as stated below:

Total Fixed Deposits Rated	Rs.180.48 Crore
Fixed Deposit Rating	ACUITE BBB / Outlook : Stable
Total Long Term Bank Loan Rated	Rs.1,400.48
Long Term Rating	ACUITE BBB / Outlook : Stable
Total Short Term Bank Loan Rated	Rs.185.00
Short Term Rating	ACUITE A3+

Corporate Social Responsibility (CSR)

In view of amendment to Section 135 of Companies Act, 2013, a company is to have a CSR Committee, if it is required to spend more than Rs. 0.50 crore towards CSR activities. As the Company is not required to spend more than Rs. 0.50 crore, the present CSR Committee was dissolved with effect from May 25, 2021 and functions of the Committee thereafter are discharged by the Board of Directors of the Company.

At the Board Meeting held on May 16, 2023, the Board has reconstituted the CSR Committee as follows:

Shri Niraj Bajaj – Chairman

Smt Bharti R Gandhi – Member

Shri R Sankaran – Member

Report on CSR activities carried out by the Company is enclosed as part of this report as **Annexure-1.**

Statutory Disclosures

The Statutory Disclosures in accordance with Section 134 read with Rule 8 of Companies (Accounts) Rules 2014, Section 178, Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) are given in the annexures to this Report.

Management Discussion and Analysis

As required under Regulation 34(2) read with Schedule V of SEBI LODR 2015, Management Discussion and Analysis is enclosed as a part of this report as **Annexure-2.**

Business Responsibility and Sustainability Report

As required under Regulation 34(2)(f) of SEBI LODR 2015, Business Responsibility and Sustainability Report is enclosed as a part of this report as **Annexure-3.**

Corporate Governance Report

The Company has complied with the Corporate Governance requirements under the Act and SEBI LODR, 2015

A report on Corporate Governance together with the certificate of the statutory auditors confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of SEBI LODR, 2015 is enclosed as a part of this report as **Annexure-4.**

During the year under review, 6 (six) Meetings of the Board of Directors of the Company were convened and held. Detailed information on the meetings of the Board and its various Committees are included in Corporate Governance Report forming part of this report.

Annual Return

Annual Return as at March 31, 2023 in the prescribed format under the Companies Act, 2013 (Draft MGT-7) is available on the website of the Company and same can be accessed at https://www.mukand.com/investors/annual-reports

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures.

ii) Appropriate accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023, and of the profit of the Company for the year ended March 31, 2023.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) The Annual Accounts have been prepared on a going concern basis.

v) Internal financial controls have been laid down and followed by the Company and that such controls are adequate and are operating effectively.

vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Statement on declaration given by Independent Directors

The Company has received necessary declarations/confirmation from each Independent Director under Section 149(6) and 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25(8) of the SEBI LODR, 2015 that they meet the criteria of independence laid down thereunder. The independent directors have also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, relating to inclusion of their name in the data bank of Independent Directors.

Disclosure regarding Company's policies under Companies Act, 2013

The Company's policies on i) Director's appointment and remuneration, determining criteria for qualification/ independence, ii) Remuneration for Directors, Key Managerial Personnel and other employees, iii) Performance evaluation of the Board, Committees and Directors, iv) Materiality of Related Party transactions, v) Risk Management, vi) Determining Material Subsidiaries and vii) Whistle Blower / Vigil Mechanism along with details of web link (in cases where it is prescribed) are given in **Annexure-5.**

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantee or investments given or made by the Company under Section 186 of the Companies Act, 2013 are disclosed in Notes to the Financial Statements.

Related Parties Transactions

All contracts / arrangement / transactions entered into by the Company during FY 2022-23 with related parties were in compliance with the provisions of the Companies Act, 2013 and SEBI LODR, 2015. The details of transactions with related parties during FY 2022-23 are provided in the notes to the financial statements.

Further, there were material Related Party Transactions (RPTs) which got covered as material RPTs under Regulation 23 of SEBI LODR 2015 and were approved by the members. During the year 2022-23, pursuant to Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI LODR, 2015, all RPTs were placed before Audit Committee for its prior approval. The requisite disclosure in respect of aforesaid RPTs in Form AOC-2 is furnished in **Annexure-6**

Conservation of Energy, technology absorption, imported technology, Foreign Exchange earnings and outgo

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in **Annexure-7.**

Report on the subsidiaries, associates and joint venture Companies, names of Companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies

A report on performance and financial position of each of the subsidiaries, associates and joint venture companies together with names of companies which have become or ceased to be subsidiaries, joint ventures or associate companies during the year under review are furnished in **Annexure-8.**

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone financial statement of the Company, consolidated financial statements along with the relevant documents and separate audited financial of statements in respect of subsidiaries, are available on the Company's website www.mukand.com

Significant and Material orders passed by the Regulators or Courts

During the year, no significant and material orders were passed against the Company by any of the Regulators or Courts.

Details of Directors or KMP who are appointed / re-appointed or have resigned/retired (including by rotation) during the year

Shri Pratap V. Ashar, who was Director on your Board, passed away on April 8, 2022.

Directors liable to retire by rotation: Shri Arvind M Kulkarni retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The members are requested to consider and approve his re-appointment.

During the year, Shri Arvind M. Kulkarni (DIN:01656086) is appointed as Whole-time Director designated as 'President & Director' for a period of 3 years by the shareholders vide special resolution passed through Postal Ballot Notice dated May 17, 2022, with effect from June 28, 2022. He has rendered over 47 years' of service to the Company since the year 1974. He is an Engineering Graduate from IIT, Kharagpur and Post Graduate in Industrial Engineering from NITIE, Mumbai.

The shareholders vide special resolution passed through Postal Ballot Notice dated February 13, 2023 have approved the appointment and re-designation / continuation Shri Arvind Madhav Kulkarni (DIN: 01656086) as a Non-executive, Non-independent director of the Company, with effect from April 13, 2023, liable to retire by rotation.

The Board of Directors at their meeting held on May 16, 2023 on recommendation of Nomination and Remuneration Committee, have appointed Shri Nirav Bajaj (DIN 08472468) as Whole-time Director of the Company for a period of 3 years with effect from May 16, 2023, subject to approval of the Shareholders. Your directors recommend to the Shareholders the appointment of Shri Nirav Bajaj as Whole-time Director of the Company at the ensuing Annual General Meeting.

Changes in Key Managerial Personnel

Shri K. J. Mallya, Company Secretary & Chief, Legal retired on April 30, 2022 after rendering over 15 years' of continuous and meritorious service. Shri Rajendra Sawant, a qualified Company Secretary with legal qualifications having over 20 years' of experience in Corporate Sector has been appointed by the Board as 'Company Secretary & Chief, Legal' with effect from May 17, 2022.

Shri Umesh V. Joshi, Chief Financial Officer retired on May 31, 2022 after rendering 50 years' of continuous and meritorious service. Shri Dhanesh K. Goradia, a qualified Chartered Accountant has been appointed by the Board as 'Chief Financial Officer' with effect from June 1, 2022. He has rendered over 29 years' service to the Company since the year 1992.

Performance evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Risk Committee. For further information with regard to manner in which evaluation was carried out etc., refer Performance Evaluation section of Corporate Governance Report attached to this Report.

The Independent Directors of the Company met separately on March 24, 2023 to discuss the following:

i) review the performance of non-independent directors and the Board as a whole.

ii) review the performance of the Chairperson of the Company, taking into account the views of non-executive directors.

iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All of the Independent Directors were present at the Meeting and discussed the above and expressed their satisfaction.

Internal Financial Controls with reference to financial statements

Adequate systems for internal controls provide assurances on the efficiency of operations, security of assets, statutory compliance, appropriate authorization, reporting and recording of transactions. The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and audit committee. The Internal Auditor prepares regular reports on the review of the systems and procedures and monitors the actions to be taken.

Details relating to Remuneration of Directors, Key Managerial Personnel and Employees

The information required under Section 197 of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished in **Annexure-9**.

Safety, Health and Environment

The Company pays utmost importance towards safety and health of its employees by implementing policies, procedures and conducting various awareness programmes among the employees. It conducts many promotional activities among its work force on safety adherence and developing the community on national and international events related to Health, Safety and Environment. During the year under report, National Safety Week, Fire Safety Week and Environment Day were celebrated by reminding the employees through campaigns on its crucial significance in today's world. All functional Departments work in cohesion to a common goal that includes utilizing natural resources with minimal or no damage to the environment and efficiency in energy.

Consolidated Financial Statements (CFS)

The CFS is prepared by the Company pursuant to Section 129(3) of the Companies Act, 2013 in accordance with the requirements of Ind-AS110 Consolidated Financial Statements read with other applicable Indian Accounting Standards. Segment-wise disclosure of revenues, results, assets and liabilities on the basis of segments are separately given in a tabular form in the Consolidated Financial Statements.

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaints were received by the Committee formed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Auditors

i) M/s DHC & Co, Chartered Accountants, are appointed as Statutory Auditors of the Company for conducting audit of financial statements for a period of 5 years commencing from FY 2020-21.

ii) Based on recommendation of the Audit Committee, the Board has appointed M/s Y R Doshi & Co. as Cost Auditors of the Company for the financial year ending 2023-24.The Board of Directors do confirm that the maintenance of cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly, such accounts and records are made and maintained by the Company for the financial year 2022-23.

iii) Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board has appointed Anant Khamankar of M/s. Anant B. Khamankar & Co. (Membership No. FCS: 3198), Practising Company Secretary, to undertake the Secretarial Audit of the Company for FY: 2022-23. Pursuant to Regulation 24A of SEBI LODR 2015, Secretarial Audit Report of the Company and Mukand Sumi Metal Processing Limited, a material subsidiary of the Company, is enclosed to this report as **Annexure - 10 & 11** respectively.

Auditors' Report

The observations made in the Statutory auditors' report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 134(3)(f) of the Companies Act, 2013.

Confirmation of Compliance of Secretarial Standards

The Company has complied with applicable Secretarial Standards during the year under review.

Acknowledgement

The Board of Directors thanks the Banks, Central and State Government Authorities, Shareholders, Customers, Suppliers, Employees and Business Associates for their continued co-operation and support to the Company.

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director
DIN: 00028261

Mumbai, May 16, 2023

Annexure-1

Annexure to the Directors' Report

Report on CSR Activities

In view of amendment to Section 135 of Companies Act, 2013 a company is to have a CSR Committee, if it is required to spend more than Rs.0.50 crore towards CSR activities. As the Company was not required to spend more than Rs.0.50 crore, the CSR Committee was dissolved with effect from May 25, 2021 and its functions are discharged by the Board of Directors of the Company. The Company is not required to incur any expenditure in pursuance of the CSR Policy in view of the aggregate losses as calculated in accordance with Section 135 and 198 of the Companies Act, 2013 during the three preceding financial years. However, the Company has carried out CSR activities voluntarily. The details of CSR activities carried out by the Company during the financial year 2022-23 are given in Management Discussion & Analysis Report under the heading 'Our CSR Activity update'.

Annexure-2

Annexure to the Director's Report

Management Discussion & Analysis for the Annual Report 2022-23

Steel is one of the most important and widely used materials in the world. It is used in construction, transportation, manufacturing, and many other industries. The steel sector is not only vital to the global economy but also plays a critical role in the economic growth of any country. The industry's impact on the economy goes beyond its direct contributions to GDP. The production and consumption of steel have a significant multiplier effect on other sectors of the economy like infrastructure, transportation, automobiles etc. Steel is also an essential material for the energy sector, as it is used in the production of wind turbines and oil rigs. Furthermore, the steel industry is a key player in international trade.

India is the second-largest producer of steel in the world, after China. The demand for steel in India has been robust in the last one year, driven by the government's infrastructure projects and the support extended to the manufacturing sector. The stainless steel market in India has also witnessed growth in the last one year. The demand for stainless steel has been driven by the construction, automotive, and consumer goods industries. The growing awareness of the benefits of using stainless steel, such as durability and corrosion resistance, has also contributed to the growth of the market. However, the industry has also faced some challenges such as the shortage of raw materials, ongoing war between Russia and Ukraine, effect of the COVID-19 pandemic on the global supply chain etc. But despite these roadblocks, the steel manufacturing sector has been striving hard to ensure its growth and India is one of the few countries where maximum new capacity both by way of greenfield and brownfield initiatives is in the pipeline.

The Global Economy

The global economy has been on a rollercoaster ride in recent times, driven by the effect of COVID-19 pandemic and a range of other factors. As we look ahead to the global economy in the year 2023-24, there are several factors that are likely to shape economic growth and business conditions. The January 2023 World Economic Outlook Update projects that global growth will rise to 3.1 percent in 2024. Global inflation has been more persistent than previously assumed, and high core inflation suggests that inflation may remain above pre-pandemic averages in many countries for an extended period. To rein in high inflation and bolster credibility, major central banks have tightened their policy. Aggressive monetary policy tightening to contain high inflation, deteriorating financial conditions, declining confidence, and widespread energy shortages have contributed to a downgrade in global growth.

The Indian Economy

India's steel production reached a record high of 121.06 million tonnes in the financial year 2022-23, up 10.4% from the previous year. The sector also benefited from the government's focus on infrastructure development, increased demand from the automobile and construction sectors. Though we saw a strong growth curve in the domestic market but on the export front, Indian manufacturers did see a decline. India, the world's second-biggest producer of crude steel, shipped around 6.7 million tonnes of finished steel in 2022-23, which was a decline of around 50.2% from the year 2021-22 and the lowest since the period of 2018-19. Meanwhile, India's imports touched a four-year high at 6 million tonnes in 2022-23, a growth of 29% from the year 2021-22 and the highest since 2019-20.

The volatility in the market was mainly the effect of several causes which contributed in their own ways like the Russia-Ukraine war which resulted in the global slowdown in demand and second was the export tax imposed by the government in the month of November 2022 that capped export opportunities for Indian steelmakers. In addition, a lack of appetite from Southeast Asian counties also affected steel exports. Overall, India's crude steel production reached a record high in the year 2022-23. Surprisingly, India was the only country among world's top 10 steel-producing countries that saw a positive growth in crude steel output in 2022.

Regarding the economic development of the nation, IMF has projected the GDP growth of India at 5.9% compared to the projection of 6.5% by the Reserve Bank of India. Amidst the given circumstances and the economic scenario around the country, we are hopeful that India has a high chance of becoming the epicentre of the growth of steel in the world. Growing strength to strength in the last 9 years, our country is on course to achieve two great landmarks i.e. production of 125 Million tonnes of steel and achieving 11%-12% growth in steel consumption in the time ahead.

Company's performance

The Financial Year 2022- 23 has been an outstanding year in the history of your Company in many ways. The Company registered the highest dispatch in the year ended on 31st March 2023. The total revenue of the Company for the Financial Year 2022- 23 stood at Rs. 5,597 crore as against Rs. 4,607 crore in the previous year, placing your Company among the top league of Rs. 5,000+ crore turnover companies in the private sector of India. The Profit After Tax for the year under report stood at Rs. 185.48 crore as against Rs. 91.62 crore in the previous year. The net debt equity ratio of the Company as on March 31, 2023 stood at 1.49. FY 23 marked an increase of 10% in the total steel production of your Company as against the previous year. The Steel Division revenue increased by 21%. Revenue from the Industrial Machinery division stood at Rs. 138 crore as against Rs. 106 crore of the previous year. In the last year, our industrial machinery division has secured the contract to design and manufacture a crane for DGNP, Vizag. The crane has distinction of being India's heaviest by weight and largest by span, indigenously designed and manufactured EOT Crane. This is a significant milestone for our company, and we are proud to have been selected for such a prestigious project.

Your company shall continue to focus on increasing efficiency, improving quality, and increasing its output in the year ahead.

In the last year, your company had executed an Agreement for Sale of the surplus land at Kalwe and Dighe, in Thane district subject to certain terms and conditions. During the year under report, sales consideration of Rs 796.46 crore has been received by Company towards transfer of 45.94 acres land to the buyer. A major portion of sales consideration amount is utilized for reducing debt.

Performance of Our Steel Division

Steel division of your company has had a commendable performance in the first three quarters of the year 2022-23 but witnessed a slight decline in performance towards the last quarter, mainly because of the disturbance created across some of the largest economies in the world. However, the company would like to state that despite the challenges posed by the pandemic and the supply chain disruptions due to the war, the division has continued to meet customer demand for high-quality stainless steel and alloy steel products. Our sales figures have shown a steady increase, and we have been able to maintain our market share in the face of intense competition. In the last year, your company witnessed an increase in 21% in the production of Stainless Steel and 6% in the production of Alloy Steel, compared to the previous year.

One of the key factors contributing to the success of our steel division has been our focus on innovation and efficiency. We have invested in cutting-edge technology and modernized our production processes to ensure that our products are of the highest quality and are produced with minimal waste. This has enabled us to reduce our operating costs, which has in turn allowed us to offer our customers competitive pricing.

Our production processes have become more streamlined, and we have implemented efficient supply chain management practices to ensure timely delivery of our products. As a result, we have been able to meet the growing demand for steel in the market and strengthen our position as one of the leading steel manufacturers in India. The increase in our steel production has not only allowed us to cater to our existing customers but also to explore new business opportunities and expand our market reach. We are proud of this accomplishment and remain committed to sustaining this growth trajectory in the future.

Looking ahead, we are confident that our steel division will continue to perform well in the coming year. We will continue to prioritize innovation and efficiency, and we will explore new markets and expand our product offerings to drive growth. We remain committed to providing our customers with the highest quality steel products and exceptional service, and we are confident that our strong performance will continue to position us as a leader in the industry.

Performance of Our Industrial Machinery Division

Your company is pleased to report that the industrial machinery building division has been performing exceptionally well over the past year. The division has been able to capitalize on the infrastructure growth that is taking place across the country, and this has been a significant driver of its success. Additionally, the division has been proactively exploring new industries where our products can be used, which has enabled us to tap into previously untapped markets. We have been able to leverage our expertise and technological capabilities to offer innovative solutions to our clients in these industries, and this has been a key factor in our success. We are confident that the division will continue to perform well, and we are committed to investing in its growth and development to ensure that it remains at the forefront of the industry.

Our People are our strengths

As a steel manufacturing company, we understand the importance of having a skilled and motivated workforce to achieve our business objectives. Over the past year, we have significantly increased our focus on employee training and skill enhancement programs to better equip our employees with the tools and knowledge they need to succeed. We have invested in various training initiatives, including leadership development programs, technical skills training, and safety training, among others. These programs have been designed to enhance our employees’ capabilities, boost their confidence, and promote a culture of continuous learning and improvement. We firmly believe that our employees are our most valuable asset, and we are committed to investing in their growth and development to achieve our long-term business goals.

Our CSR Activity update

Corporate Social Responsibility (CSR) is an important aspect of modern-day business practices and at Mukand we are committed to giving back to society. Our Corporate Social Responsibility programmes are mainly focused at education improvement and providing a healthy and happy learning environment to the school kids.

We believe that access to quality education is a fundamental right of every child, and we are committed to doing our part in improving the education standard of students in our community. Our mathematics classes are just one of the many initiatives that we have undertaken as a part of our CSR activities, and we are proud to have made a positive impact in the lives of these young students. The mathematics classes have been designed to provide personalized attention to each student, with a focus on developing their problem-solving skills and strengthening their foundational understanding of the subject. The classes have been well-received by the students and their parents. These classes are aimed at helping students cover for the loss of education they experienced during the COVID pandemic.

As part of our ethos of promoting sports at the school level, your company organized its Third Annual Road Race for the School Students at Shahpur. The event saw the participation of more than 850 students from 43 schools in and around Shahpur. The Road Race was followed by felicitation of the winners and cultural performances by the students. The programme also saw wonderful dance performances by the school kids combining traditional dance forms with contemporary ones and offered a visual treat to the audience. Your company aims to promote physical fitness and sportsmanship among the children. Overall, our Annual Road Race is an important event that serves multiple purposes. It not only promotes physical fitness and sportsmanship among children but also provides a platform for cultural exchange and creativity. We are proud to be associated with this initiative and are committed to continuing our efforts in creating opportunities for children to grow and develop.

On behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Mumbai, May 16, 2023

Annexure-3

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dt.10th May, 2021, has mandated India's top 1,000 listed entities based on market capitalisation on the BSE and NSE, to submit a 'Business Responsibility & Sustainability Report' (BRSR) along with their Annual Report for 2022-23. The report is required to be in line with the 'National Guidelines on Responsible Business Conduct' (NGRBC), as released by the Ministry of Corporate Affairs.

This report provides information on key business responsibility initiatives undertaken by the Company and can be accessed from our website (www.mukand.com).

In this report, the words – 'Mukand', 'We', 'Company', 'Our' are used interchangeably to denote Mukand Limited.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity :

1. **Corporate Identity Number (CIN) of the Listed Entity -** L99999MH1937PLC002726
2. **Name of the Listed Entity –** Mukand Limited.
3. **Year of incorporation -** 1937
4. **Registered office address -** 3rd Floor, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
5. **Corporate address -** 3rd Floor, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
6. **E-mail -** secretarial@mukand.com
7. **Telephone -** +91-22-61216666
8. **Website -** www.mukand.com
9. **Financial year for which reporting is being done –** 2022-23
10. **Name of the Stock Exchange(s) where shares are listed :**

Name of the Exchange	Stock Code
BSE Ltd.	500460
National Stock Exchange of India Ltd.	MUKANDLTD

11. **Paid-up Capital – ₹150.14 crore**
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report –**

    Mr Rajendra Sawant
    3rd Floor, Bajaj Bhawan, 226,
    Jamnalal Bajaj Marg, Nariman Point,
    Mumbai – 400 021
    Tel: 022 6121 6666
    E-mail - secretarial@mukand.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).** – The disclosures under this Report are made on a standalone basis, unless otherwise specified.

II. Products/services

14. **Details of business activities *(accounting for 90% of the turnover)*:**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Steel and Heavy Machinery	100%

15. **Products/Services sold by the entity *(accounting for 90% of the entity's Turnover)*:**

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1.	Manufacture of Alloy Steel billets and blooms	27151	39.22%
2.	Manufacture of Stainless Steel, billets and blooms, bars, Rods	27153	51.31%
3.	Job works and other Services	-	7.02%
4.	Manufacture of EOT Cranes, Material Handling Equipment and other Industrial Machinery and comprehensive engineering services	28162	2.45%

III. Operations

16. **Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	2	1	3
International	0	0	0

Our plants are located in Kalwe, Dighe, Thane District (Maharashtra) & Ginigera, Koppal District (Karnataka)

17. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of States)	All over India (28 States and 8 Union Territories)
International (No. of Countries)	Latin America, European Countries, Middle Eastern Countries, South Asian Countries, etc.(102 Countries)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

7.18% being Rs. 406.99 crore exports out of total turnover.

c. A brief on types of customers:

The entire customer base of Mukand is B2B. The stainless steel products of Mukand are used in engineering, power generation, construction and many specialised applications.

IV. Employees

18. **Details as at the end of Financial Year:**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	631	609	96.51	22	3.49
2.	Other than Permanent (E)	58	57	98.28	1	1.72
3.	**Total employees (D + E)**	**689**	**666**	**96.66**	**23**	**3.34**
WORKERS						
4.	Permanent (F)	909	909	100.00	0	0.00
5.	Other than Permanent (G)	88	88	100.00	0	0.00
6.	**Total workers (F + G)**	**997**	**997**	**100.00**	**0**	**0.00**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total differently abled employees (D + E)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total differently abled workers (F + G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

19. **Participation/ Inclusion/ Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67
Key Managerial Personnel*	3	0	0.00

* Key Managerial Personnel includes MD, CS & CFO

20. **Turnover rate for permanent employees and workers (in percent)**

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.07%	0.63%	11.70%	0.50%	1.60%	2.10%	0.58%	0.30%	0.88%
Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. **(a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicate at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Mukand Sumi Metal Processing Ltd.	Subsidiary	100.00%	No
2.	Mukand Global Finance Ltd. *	Subsidiary	100.00%	No
3.	Adore Traders and Realtors Pvt. Ltd.*	Subsidiary	100.00%	No
4.	Mukand International FZE, U.A.E.**	Subsidiary	100.00%	No
5.	Mukand Engineers Limited*	Associate	36.11%	No
6.	Bombay Forgings Limited	Associate	33.17%	No
7.	Stainless India Limited	Associate	48.30%	No
8.	Hospet Steels Limited	Joint Venture	39.00%	No

* merged with Mukand Limited w.e.f. May 31, 2022

** Liquidation proceeds repatriated on September 19, 2022 and Jebel Ali Freezone Authority vide its letter dated December 26, 2022 confirmed the clearance of all cessation formalities.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) – 5,598 crore

(iii) Net worth (in ₹) – 881 crore

VII. Transparency and Disclosures Compliances

23. **Complaints/Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	FY 2022-23			FY 2021-22		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	No	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, https://www.mukand.com/investors/shareholder-info/compliance-transfer-agents/	599	Nil	NA	354	Nil	NA
Employees and workers	Yes, it is on the intranet.	Nil	Nil	NA	Nil	Nil	NA
Customers	No	200	0	NA	291	76	NA
Value Chain Partners	No	Nil	Nil	NA	Nil	Nil	NA

24. **Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications**

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	Iron and steel production generates significant direct greenhouse gas (GHG) emissions, primarily carbon dioxide and methane, from production processes and on-site fuel combustion. Although technological improvements have reduced the GHG emissions per ton of steel produced, steel production remains carbon-intensive compared to other industries. Regulatory efforts to reduce GHG emissions in response to the risks posed by climate change may result in additional regulatory compliance costs and risks for iron and steel entities because of climate change mitigation policies.	Mukand strives to achieve operational efficiencies through cost-effective reduction of GHG emissions by adopting various measures. Mukand, has undertaken two projects with an aim to reduce our environmental impact by reduction in GHG emissions. Solar project – which is under manufacturing stage and is expected to get completed by the year 2024. PNG - Conversion of Mills furnaces, Heat treatment from Furnace oil, LDO to PNG is under progress. This is expected to be completed in FY 2023-24. Capturing such efficiencies can mitigate the potential financial effects of increased fuel costs that Mukand incurs.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Air Emissions	Risk	Mukand, during its production process generates sulphur oxides, nitrogen dioxide, lead, carbon monoxide, and manganese, as well as particles such as soot and dust. These air pollutants, volatile organic compounds (VOCs), and hazardous air pollutants, can have significant localised public health impacts. Despite of sophisticated manufacturing processes, air pollution constitutes a major risk due to heightened regulatory and public concerns and its impact on environment & health.	To mitigate this risk, Mukand strives to actively manage emissions out of its manufacturing activities, through implementation of global industry best practices and aims to facilitate sustainable steel production, lowering costs and potentially enhancing operational efficiency – thereby minimizing the financial implications.	Negative
3	Energy Management	Risk	The production of steel requires significant energy, sourced primarily from the direct fossil fuel combustion as well as energy purchased from the grid. Energy-intense production has implications for climate change, and electricity purchases from the grid can result in indirect Scope 2 emissions. The choice between various production processes—electric arc furnaces and integrated basic oxygen furnaces—can influence whether an entity uses fossil fuels or purchases electricity. This decision, together with the choice between using coal versus natural gas or on-site versus grid-sourced electricity, may influence both the costs and reliability of energy supply. Affordable, easily accessible and reliable energy is an important industry competitive factor. Energy costs account for a substantial portion of iron and steel manufacturing costs.	Mukand has undertaken several initiatives on clean technology energy efficiency and renewable energy like solar energy & wind energy and strive to reduce its reliance on various types of energy and associated sustainability risks, and improving its ability to access alternative sources of energy can thereby positively impacting profitability.	Positive – when managed efficiently
4	Water & Wastewater Management	Risk	Steel production requires substantial volumes of water. We face increasing operational, regulatory and reputational risks associated with water scarcity, costs of water acquisition, regulations on effluents or amount of water used, and competition with local communities and other industries for limited water resources. If we are unable to secure a stable water supply, we could face production disruptions, while rising water prices could directly increase our production costs.	Mukand endeavors to adopt technologies and processes to reduce water consumption thereby reducing operating risks and costs by mitigating the operational impacts of regulatory changes, water supply shortages and community-related disruptions. We have set up a water recycling plant wherein we reuse waste water for process (300 Cum /day). We have minimized the use of process water by having closed circuits throughout the plant, so that only make up water is used.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Waste & Hazardous Materials Management	Risk	While waste reclamation rates in steel production are high, the industry generates significant quantities of hazardous wastes. There are three main waste types in the industry—slag, dusts, and sludges. These by-products are often recycled internally or sold to other industries. However, process wastes such as electric arc furnace dust, can have significant environmental and human health impacts, present a regulatory risk, and result in additional operating costs for entities. Risks related to the long-term impacts of waste disposal may result in significant costs, including those associated with contaminated off-site disposal properties, for which iron and steel producers may be held responsible for remediation and restoration activities.	Mukand strives to reduce waste streams and hazardous waste streams in particular, and recycle or sell non-hazardous by-products, thereby reducing regulatory risks and costs while increasing revenues. We are in compliance with the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016	Negative
6	Employee Health & Safety	Risk	Industrial processes used in iron and steel production can present significant risks to employees and contractors working at iron and steel plants. Given the high temperatures and heavy machinery involved, worker injuries and fatalities are a matter of concern to iron and steel producers. The industry has relatively high fatality rates, signifying the hazardous work environment and requiring a strong safety culture and health and safety policies. While accident rates in the industry are on a long-term decline, worker injuries and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, and increased healthcare and compensation costs.	To negate the adverse impact on employee health & safety, Mukand has set various processes & safety protocols. Mukand has implemented various safety methods in its plants/ operations: Hazard identification and risk assessment is carried out in different sections; Various types of safety audits and inspections are carried out to identify hazards and risks in daily routine; Job safety analysis is carried out periodically. It pays utmost importance towards safety and health of its employees by implementing policies, procedures and conducting various awareness programs among the employees. It conducts many promotional activities among its work force on safety adherence and developing the community on national and international events related to Health, Safety and Environment.	Negative
7	Supply Chain Management	Risk	Iron ore and coal are critical raw material inputs to the steel production process. Iron ore mining and coal production are resource-intensive processes. Mineral extraction often has substantial environmental and social impacts adversely affecting local communities, workers and ecosystems. Community protests, legal or regulatory action, or increased regulatory compliance costs or penalties can disrupt mining operations. Iron and steel entities could face supply disruptions as a result, or in some cases, also may be subject to regulatory penalties associated with the environmental or social impact of the mining entity supplier.	Mukand endeavors to mitigate risk pertaining to its supply chain by appropriate supplier screening. Periodical compliance screening of our critical suppliers helps us ensure business continuity and reduced stress on financials.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Few Statutory policies viz., CSR, Risk Management & Whistle Blower policy are approved by the Board and other policies are formulated and implemented as per the local laws and regulations.								

Sr. No.	Name of policy	Link to Policy	Which Principles each policies goes into
1	Familiarization program for Independent Directors	https://www.mukand.com/wp-content/uploads/2022/11/familiarisation-programme-independent-directors.pdf	P1
2	Policy for determining material subsidiaries of the Company	https://www.mukand.com/wp-content/uploads/2022/11/policy-determining-material-subsidiaries.pdf	P1
3	Code of Conduct for members of the Board and Senior Management Personnel	https://www.mukand.com/wp-content/uploads/2022/11/revised-code-of-conduct-insider-trading-regulation.pdf	P1
4	Vigil Mechanism/ Whistle blower policy	https://www.mukand.com/wp-content/uploads/2022/11/whistle-blower-policy-vigil-mechanism.pdf	P1
5	Archival Policy for Disclosures to stock exchanges	https://www.mukand.com/wp-content/uploads/2022/11/archival-policy-for-disclosures-to-stock-exchanges.pdf	P1
6	Code of Fair Disclosure UPSI	https://www.mukand.com/wp-content/uploads/2022/11/upsi-code-of-fair-disclosure.pdf	P1, P4, P7
7	Revised Policy on Materiality of Related Party Transactions	https://www.mukand.com/wp-content/uploads/2023/01/revised-policy-on-materiality-related-party-transactions.pdf	P1, P4, P7
8	Policy on Materiality-Disclosure of Events	https://www.mukand.com/wp-content/uploads/2022/11/policy-on-materiality-disclosure-of-events.pdf	P1, P4, P7
9	Sustainability Policy	--	P2
10	Supply Chain Policy	--	P2, P3, P9
11	Terms of Reference, Nomination & Remuneration Committee	https://www.mukand.com/wp-content/uploads/2022/11/terms-of-reference-nomination-remuneration-committee.pdf	P3, P4
12	Criteria for making payments to non-executive directors of the Company	https://www.mukand.com/wp-content/uploads/2022/11/remuneration-policy.pdf	P1
13	Dividend distribution policy	https://www.mukand.com/wp-content/uploads/2022/11/dividend-distribution-policy.pdf	P3, P4
14	Human Resource policies covering Working hours, leaves, remuneration, compensation etc.	Intranet	P3, P4
15	Anti-Sexual Harassment Policy (internal)	Intranet	P5
16	Any Environment related policy	--	P6
17	Cyber security and Privacy Policy	Intranet	P9
18	Corporate social Responsibility Policy	https://www.mukand.com/wp-content/uploads/2022/11/csr-policy.pdf	P3, P8
19	Institutional Mechanism for Preventing Insider Trading	https://www.mukand.com/wp-content/uploads/2022/11/institutional-mechanism-preventing-insider-trading.pdf	P1
20	Remuneration Policy	https://www.mukand.com/wp-content/uploads/2022/11/remuneration-policy.pdf	P1
21	Risk Management Policy	https://www.mukand.com/wp-content/uploads/2022/11/risk-management-policy.pdf	P1

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Mukand has obtained ISO certifications viz. ISO 14001:2015 (Environmental management systems), ISO 50001:2011 (Energy Management System), ISO 9001:2015 (Quality Management System) and IATF 16949:2016 (International Standard for Automotive Quality Management Systems)								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Mukand is committed to adopt high environmental standards to its operations with a particular focus on energy, waste management and water. It also sets out targets for workplace safety. While adhering to regulatory requirements, Mukand endeavors to increase efficiency of research and development processes which is good for the customers and also for the planet. Mukand is committed to create a diverse and inclusive workplace that enables everyone to deliver their best work.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight										

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Mukand strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while improving economic performance to ensure business continuity and rapid growth. Mukand is committed to building competitive advantage through customer centricity, innovation, good governance and inclusive human development while being sensitive to the environment. The following are the themes and actions pertaining to the respective ESG components

Our Environmental Impact – Mukand focuses on various activities like modern regenerative combustion technology, recycling of metal waste, recycling of treated water, adoption of eco-friendly waste disposal system, celebration of world environment day with tree planting, and various awareness programmes to improve the environment as part of its endeavour to reduce carbon footprints, ensure sustainability in all our processes. Our Social Commitment – We have incorporated corporate social responsibility (CSR) into the core activities of our institutions, such as education, by offering study loans, adopting needy students, providing health insurance, collecting blood, and more. These activities are all part of our commitment to the communities in which our institutions operate. The corporation engages in CSR initiatives in a variety of areas, such as community development, economic growth, and health and safety. Our Governance Framework – Mukand supports and promotes highest standards of ethical business conduct, one that is transparent and accountable, irrespective of one's position in the hierarchy.

The key elements include – Businesses are intertwined with ESG components and with that in mind, at Mukand, we are focused on holistically integrating ESG into our business operations. As part of our ESG value creation, we have adopted a systematic approach to effectively respond to individual elements of ESG. The key elements of ESG that we focus on as part of our business activities are encapsulated hereunder –

Environmental	Social	Governance
Biodiversity	Business and Human Rights	Shareholders Rights and Grievances
Climate Change / Carbon Emission	Diversity, Equality & Inclusion	Fairness, Transparency and Integrity
Environment Liability, Pollution and Waste Management	Health and Safety	Internal Controls and Audit and Reporting Mechanism
Sourcing of Materials, except sanctioned sources	Well-being of Labor	Fair Trade Practices

8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Mukand is the highest authority responsible for the oversight of the implementation of Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board of Mukand has constituted various Board committees, which are responsible for and superintendence over key sustainability related policies of Mukand Limited, as below: 1. The Risk Management Committee: The Board has constituted the Risk Management Committee to assist the Board in fulfilling its oversight responsibilities regarding management of element wise key risks, including strategic, financial, operational, sectoral, sustainability (Environment, Social and Governance) related risks, information & cyber security and compliance risks. The Committee ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of Mukand and reviews the adequacy of the risk management practices and actions deployed by the management in respect of identification, impact assessment, monitoring, mitigation and reporting of key risks to the achievement of business objectives. 2. The Stakeholder Relationship Committee: This Committee considers and resolves the grievances of the shareholders, debenture holders and other security holders of Mukand, including complaints relating to non-receipt of Annual Report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	No major non-compliance of material nature has been reported. Operational issues are being addressed on an 'ongoing basis' as and when identified. Each functional head monitors and ensures compliance applicable to their respective functions									Quarterly								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	In addition to periodic internal evaluation at Board and Committee level, assurances and comfort is sought by Mukand Ltd. on its policies/ procedures/ codes through periodic audits by external agencies. For the purpose of this report through an extensive exercise, assessment of adequacy of policies mentioned in this section, is done by Dhir & Dhir Associates, an eminent Law firm.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	Nil	-	-
Key Managerial Personnel	1	Leadership Development Programme	33.00%
Employees other than BoD and KMPs	53	Time Management, General Safety Awareness, 7 Qc Tools for Problem Solving QC Circle, Training On IATF 16949, Basic MS Excel, Communication With Impact, Gender Sensitivity, Presentation Skills, Advanced Ms Excel, Power of Negotiation, Customer Centricity	58.58%
Workers	22	NEEM Safety Training, Fire Training, Safety in Material Handling, Fire Fighting, First Aid, Attitude and Behaviour, Road Safety Training, Discipline at Work, EHS Legal Requirements, General Safety Awareness	52.43%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year *(basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)*

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding Fee	NA	NA	NA	NA	NA
Non-Monetary					
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes. Mukand Ltd. has formulated an anti-corruption & anti-bribery policy. The same is available to its employees at – Employee Service Portal.

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topic/principles covered under the training	% of value chain partners (by value of business done with such partners) that were assessed
NA	NA	NA

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

   Yes, Mukand has a Code of Conduct for Board of Directors and Senior Management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Insider trading policy of the Company also guides the Board & other stakeholders on dealing with securities of the Company. The Company receives an annual declaration from its Board of Directors and Senior Management personnel on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with each entity. Additionally, the director do not participate in the business at the board meetings, in the matters in which they are interested.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in the environmental and social impacts
R&D	Rs. 0.53 crore	Rs. 0.22 crore	-
Capex	Rs. 117.62 crore	Rs. 25.89 crore	-

   Mukand is conscious in adopting and improving processes that are enviro-social friendly. However, since each process aims at this aspect, it is not an inseparable aspect of cost and hence can't be ascertained.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes, as a part of adopting sustainable business processes, we are planning to go for captive power by investing in permanent energy for 60% of our total requirement in the year 2024.

   Apart from this, we use Stainless Steel Scrap as a major raw material/ source which helps in reducing carbon footprint of our operations.

   b. If yes, what percentage of inputs were sourced sustainably?

   90% of raw materials is stainless steel scrap.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   All the E-waste & Hazardous Waste are being disposed in an eco-friendly manner to Pollution Control Board approved Vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   By virtue of its operations, EPR is not applicable to Mukand.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
27153	Coils, Bars, RCS, and Billets	97.55%	Manufacture & despatch of cast, rolled and heat treated stainless alloys, special and carbon steels in rounds, squares/ rounds- cornered squares (RCS), hexagon and flat cross sections, bright bars in drawn/ ground/ smooth turned condition and cold finished wires	No	No
28162	Overhead Cranes, Process Plant Equipments	2.45 %	Manufacture and despatch of heavy material handling equipments & mechanical equipments and components for process plants	No	No

2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Scrap, Packaging Materials	10%	10%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	31.05	-	-	20.36
E-waste	-	-	2.07	-	-	1.74
Hazardous Waste	6,160.00	885.66	1,295.34	2,494.00	1,250.00	3,329.00
Other waste	3,666.00	-	24,995.00	4,997.00	-	23,382.00

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
Bars and coils	0.30%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	609	609	100.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	22	22	100.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**631**	**631**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent Employees											
Male	57	57	100.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	1	1	100.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**58**	**58**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

b. Details of measures for the well-being of workers:

	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent Workers											
Male	88	88	100.00	88	100.00	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**88**	**88**	**100.00**	**88**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	Nil	Nil	NA	Nil	Nil	NA
Superannuation	100%	Nil	Yes	Nil	100%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

As a responsible employer, Mukand's policies strongly prohibit any kind of discrimination against any person with disability in any matter related to employment as per the Right of Persons with Disabilities Act, 2016. Pursuant to the said Act, Ramps are provided in Kalwe factory & Hospet factory for easy movement of differently-abled people.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Mukand has embodied the principles of non-discrimination and equal opportunity – however, it has not formulated a separate Equal Opportunity Policy so far.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

* Paternity leave for male is also provided for 5 days

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

If yes, give details of the mechanism in brief.

	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Mukand has constituted a Works Committee to receive and redress grievances. The Works Committee predominantly acts on 2 counts. • Coordination between Management & Workmen: The committee ensures that its members are aware of the developments which affect the workmen. The workmen are explained what is to be done whenever they approach the works committee regarding their queries. The committee while interacting with workmen is an active listener, thereby finding out the expectations / pain areas of the workmen and communicates the same to Management. • Grievances Redressal: The committee gives a patient hearing of the workmen's grievances and then takes up the issue with Management for redressal of the grievances. The Works committee also helps in highlighting the pain areas of Management due to workmen absenteeism etc.
Other than Permanent Workers	Workers can approach ER Head directly for submission of their grievances. ER Head discusses the grievance with Management and feedback is given to the workers.
Permanent Employees	Employees can approach HR Head directly for submission of their grievances. HR Head discusses the grievance with Management and feedback is given to the employees.
Other than Permanent Employees	Employees can approach HR Head directly for submission of their grievances. HR Head discusses the grievance with Management and feedback is given to the employees.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	631	Nil	Nil	602	Nil	Nil
Male	609	Nil	Nil	581	Nil	Nil
Female	22	Nil		21	Nil	Nil
Total Permanent Worker	909	909	100.00	873	873	100.00
Male	909	909	100.00	873	873	100.00
Female	Nil	Nil		Nil	Nil	Nil

8. Details of training given to employees and workers:

	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	609	142	23%	693	113%	581	391	67%	291	50%
Female	22	4	18%	22	100%	21	3	14%	7	33%
Total	**631**	**146**	**23%**	**715**	**113%**	**602**	**394**	**65%**	**298**	**49%**
Workers										
Male	909	143	15%	144	15%	873	154	17%	42	4%%
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**909**	**143**	**15%**	**144**	**15%**	**873**	**154**	**17%**	**42**	**4%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	609	515	85%	581	581	100%
Female	22	13	59%	21	16	76%
Total	**631**	**528**	**84%**	**602**	**597**	**99%**
Workers						
Male	909	909	100%	873	873	100%
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total	**909**	**909**	**100%**	**873**	**873**	**100%**

Mukand carries out reviews of all eligible employees/ workers every year with the due process set by law.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Company has an Occupational Health, Safety & Environment Policy. Entire Kalwe plant is covered. All workers have been trained on it.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Mukand has implemented various safety methods in its plants / operations:

1) Hazard identification and risk assessment is carried out in different section;

2) Various types of safety audits and inspections are carried out to identify hazards and risks in daily routine;

3) Job safety analysis is carried out periodically.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. We have a Central safety committee meeting periodically and area safety committee meeting is in place where workers are reporting hazards related issues.

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Annual Health Check-ups are being done for all our workers & employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	**Category**	**FY 2022-23**	**FY 2021-22**
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.67	0.74
Total recordable work-related injuries	Employees	0	0
	Workers	5	6
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Mukand, as a responsible employer has adopted various measures for safety & well-being of its workforce. Routine & periodical House Keeping Audits, Safety Audits, Safety Inspections, Trainings are conducted. Measures for Hazard eliminations are taken at plant level through defined SOP’s and processes.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			**FY 2021-22**		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Mukand carried out internal assessment on these counts at its plants & offices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

After analysing the safety-related incidents, we have taken following corrective actions in our manufacturing facilities:

(i) Ban on use of Bamboo scaffolding and use of metallic scaffolding, to ensure safety.

(ii) Use of safety nets.

(iii) Special safety training for NEEM employees.

(iv) Training for all the workforce for crane operation related to material handling.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers. (Y/N).

   Yes, Mukand extends both - Statutory & Voluntary compensatory packages. We have taken Public Liability Insurance, Accident & Term insurance for our workforce.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   Mukand's internal audit team conducts audits of Contractors to ensure that statutory payments are done for their workers.

3. Provide the number of employees / workers having suffered high consequence work - related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		**No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	FY 2022-23	**FY 2021-22**	**FY 2022-23**	**FY 2021-22**
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

   Yes, on a case to case basis, Mukand provides extension / retainership to its employees.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	No formal assessment is made. It is done on need basis
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Not Applicable as no formal assessment being done.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Our process of stakeholder engagement involves identifying key internal and external stakeholders followed by analysing the impact of each stakeholder groups on our business and vice versa. Based on the exercise carried out, we prioritised our key stakeholders to understand their expectations and concerns. Through regular interactions with our stakeholders across various channels, we have been able to strengthen our relationships and enhance our Organizational strategy.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	**Whether identified as Vulnerable & Marginalized Group (Yes/ No)**	**Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)**	**Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)**	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Community	No	Other	Periodical	Considering the remoteness and difficulty of the rural areas, programs have been designed to address issues of education and sanitation

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, Meetings	Quarterly Chairman Communique	Financial performance
Employees and Workers	No	Intranet / Website	Regular	Developments in business activities
Customers	No	Email, Meetings	Regular	Mukand regularly carries out customer satisfaction surveys and takes necessary actions to improve our performance, quality, delivery and services
Value Chain Partners	No	Email, Meetings	Regular	Regular business activity including redressal of concerns and issues
Regulatory Authority	No	SE & MCA filings	Periodic	Statutory filings

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   At present, Board interaction with Shareholders – one of the key stakeholders in general meetings and amongst other things, economic, environmental, and social aspects around business of the Company are discussed.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Mukand has always believed that stakeholder participation in business decision making is a crucial aspect to take the organization forward and shall consider developing a formal process around this in coming years.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   People around the plant are the identified marginalized stakeholder group for Mukand, and we strive to engage in all the aspects where their interests are involved.

PRINCIPLE 5: Businesses should respect and promote human rights

Essentials Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	NIL					
Other than permanent						
Total Employees						
Workers						
Permanent	NIL					
Other than permanent						
Total Workers						

There are no formal trainings on Human rights that is being provided however, our Human Resource policies contains basic principles on human rights and our HR trainings contain the essentials elements of human rights.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2022-23					2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent	Not Applicable									
Male										
Female										
Workers										
Permanent										
Male	909	0	0.00	909	100.00%	873	0	0.00	873	100.00%
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other than Permanent										
Male	88	0	0.00	88	0.00	113	0	0.00	113	100.00%
Female	0	0	0.00	0	0.00	0	0	0.00	0	100.00%

3. Details of remuneration/ salary/ wages, in the following format:

	Male		Female	
	Number	Median remuneration/ Salary / Wages of respective category	Number	Median remuneration / Salary / Wages of respective category
Board of Directors (BoD)	6	1,17,07,928.00	1	-
Key Managerial Personnel	2	47,57,877.50	-	-
Employees other than BoD and KMP	623	7,12,173.50	22	6,75,576.00
Workers	909	7,19,526.50	Nil	Nil

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

There is no separate individual / committee responsible for addressing human rights impacts or issues caused or contributed to by the business. Works committee constituted under the Factories Act, 1948 looks into the Human Rights aspects of grievances. Details of Work Committee are given at point 6 of Essential Indicator under Principle 3.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Works committee constituted under the Factories Act, 1948 looks into the Human Rights aspects of grievances. Details of Work Committee are given at point 6 of Essential under Principle 3.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil			Nil		
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

   The presiding officer of the Internal Complaints Committee (ICC) looks into all the complaints under POSH and statutory process and timelines are followed, in case any complaint is made. Whistle Blower mechanism in the Company protects the identity of the person raising the alarm.

8. Do human rights requirements form part of your business agreements and contracts?

   Mukand looks forward to identify & incorporate aspects of human rights into its business agreements and contracts in coming years.

9. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	NA
Forced/involuntary labour	NA
Sexual Harassment	NA
Discrimination at workplace	NA
Wages	NA
Others – please specify	NA

   Mukand periodically assesses the elements mentioned above, however there is no formal assessment which is being done.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    Not Applicable.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

   Not Applicable.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

   There was no due diligence conducted on Human rights aspect during the year.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Mukand is committed to provide for special provisions to differently-abled employees and visitors as per Rights of Persons with Disabilities Act, 2016; and it has built ramps at its workplaces for their easy accessibility.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Not Assessed
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – Please Specify	

   As of now, Mukand has not made any formal assessment of its value chain partners on aforementioned elements.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not Applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	52,97,79,686.50	45,35,42,737.20
Total fuel consumption (B)	79,62,68,499.50	88,57,19,580.40
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	**132,60,48,186.00**	**133,92,62,318.60**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.024	0.029
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Yes. Mukand is covered under PAT scheme of the Government of India. The target for Mukand in PAT Cycle 7 is 0.0972MTOE/ MT. This target is to be achieved by FY 24-25. PAT cycle 7 is from FY 22-23 to 24-25.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	15,21,163	19,12,652
(ii) Groundwater	-	-
(iii) Third party water	3,42,756	3,05,772
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**18,63,919**	**22,18,424**
Total volume of water consumption (in kilolitres)	**15,19,483**	**14,47,457**
Water intensity per rupee of turnover (Water consumed / turnover)	0.000003	0.000003
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	µgm/m3	18.07	13.58
SOx*	Kg/day	1,346.96	1,411.21
Particulate matter (PM)	Mg/NM3	47.24* 10^{28}	46.5 * 10^{28}
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	Mg/M3	0.1	0.1
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	-	-

*The above values for SOx is provided for Thane Factory. Whereas the values of SOx emissions from Hospet Factory for both the financial years are 2021-22 = 13.79 mg/m^3, 2022-23 = 17.61 mg/m^3.

Note: Indicate if any independent assessment / evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	9,14,993.37	8,25,386.64
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,23,243.48	1,53,197.02
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000002	0.000002
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections / audits are carried out on a periodic basis.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. We at Mukand, have undertaken two projects with an aim to reduce our environmental impact by reduction in GHG emissions.

i) Solar project – which is under manufacturing stage and is expected to get completed by the year 2024. The estimated reduction in GHG is 79,000 Tonne/ year

ii) PNG - Conversion of Mills furnaces, Heat treatment from Furnace oil, LDO to PNG is under progress. This is expected to be completed in FY 2023-24

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	95.50	68.34
E-waste (B)	14.86	10.60
Bio-medical waste (C)	0.02	0.02
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	4.96	3.66
Radioactive waste (F)	NA	NA
Used Oil, MT	20.52	25.40
Waste containing oil, MT	5.10	4.60
Acidic Residue, MT	1,554	974
Flue Gas Cleaning Residue, MT	2,319	2,265
Chemical Sludge from Waste water treatment, MT	1,950	1,727
Empty paint drums, Nos.	2,494	2,077
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
1. Furnace Slag	24,057	23,007
2. Refractories	938	375
3. Mill Scale	3,666	3,667
4. EOF Slag	1,43,573	1,35,476
5. LRF Slag	12,996	12,943
6. Thickener Sludge	12,939	13,581
7. Scrap from Autogrinding	1,322	802
8. Scales & Cut ends	24,677	23,752
9. LRF FES Dust	1,966	2,412
Total (A+B + C + D + E + F + G + H)	2,34,591.96	2,23,170.60

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	25,563	25,002
(ii) Re-used	32,637	32,417
(iii) Other recovery operations	-	-
Total	**58,200**	**57,419**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	5.12	4.61
(ii) Landfilling	1,69,422	1,56,595
(iii) Other disposal operations	-	-
Total	**1,69,427.12**	**1,56,599.61**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   Mukand adopts various measures to reduce the waste.

   1) Replacement of all lights to LED
   2) Replacement of AC with 5 Star Ratings
   3) Use of waste heat recovery unit for oil heating with waste heat.
   4) Disposal of waste to authorised suppliers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No EIA undertaken during the reporting period					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
NIL				

We comply with all the environmental laws applicable to our operations.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	27,78,722.33	3,45,23,412.93
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	27,78,722.33	3,45,23,412.93
From non-renewable sources		
Total electricity consumption (D)	53,40,61,675.00	42,52,26,853.00
Total fuel consumption (E)	79,62,68,500.00	88,57,19,580.00
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	2,63,31,08,942.00	1,31,09,46,433.00

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections / audits are carried out on a periodic basis.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**Nil**	**Nil**

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections / audits are carried out on a periodic basis.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

No operations are held in water stress area.

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections / audits are carried out on a periodic basis.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Assessed	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Since all the essentials principles for computation of Scope III are not considered, we shall assess Scope III emissions from coming years.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable. Mukand does not operate in any ecologically sensitive area.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Waste heat recovery unit at SMS for Oil Heating from waste heat of Furnace.	NA	Electricity saving
2.	Installation of Automatic power factor controller to reduce overall power consumption	NA	Electricity saving

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   No

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

   No Value Chain partner evaluation is being done at present. We look forward to formalise the process in coming years.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   NA

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers / associations.

   Mukand is affiliated with 6 National & 1 State Trade and Industry Chambers.

   b) List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry	National
2	The Alloy Steel Producers Association of India	National
3	Indian Stainless Steel Development Association	National
4	Steel Furnace Association of India	National
5	Engineering Export Promotion Council	National
6	Federation of Indian Export Association	National
7	Thane-Belapur Industrial Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
Not Applicable. There were no instances of any anti-competitive conduct by Mukand.	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
Mukand through various Industry associations, participates in advocating matters for the advancement of the Industry and Public Good on a need basis. Mukand has a Code of Conduct Policy to ensure that the highest standards of business conduct are followed while engaging with aforesaid Trade associations/ Industry bodies.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. pf Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   Mukand understands that the community around its manufacturing facilities is a very critical stakeholder and its welfare and safety is of utmost importance. The Plant head & Plant HR are the designated officials to whom the community around plants can approach for their grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / small producers.	3.87%	0.46%
Sourced directly within the State.	81.71%	72.70%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount spent (In INR)
Not applicable			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   Considering the nature of operations and requirement of the industry, scrap steel is necessarily bought from reputed companies or is imported.

(b) From which marginalized / vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our consumers can visit our website and write back to us in case of any concerns or queries. All the relevant Email IDs are published on the corporate website – www.mukand.com

2. Turnover of products and / services as a percentage of turnover from all products/ service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	Nil					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

   Yes. It is available on our Internal Employee Service Portal

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Details of our products are available on the Website – www.mukand.com. We publish the same on trade websites like IndiaMART. For our customers, the same is available on our Sales Brochures.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Our product packaging contains the safe usage instructions for our consumers.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

   NA. Mukand does not fall into essential product category.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   We follow the product display information as mandated by applicable laws.

5. Provide the following information relating to data breaches:

   a) Number of instances of data breaches along-with impact

      Nil

   b) Percentage of data breaches involving personally identifiable information of customers

      Nil

Annexure-4

Annexure to the Directors' report

Corporate Governance Report

Corporate Philosophy: Mukand continues to uphold its commitment to adhere to high standards of Corporate Governance. The Company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations. Emphasis therefore, is on adding value to its shareholders, investors, employees, suppliers, customers and the community. Your Company is in full compliance with the norms and disclosures that have to be made from time to time with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR, 2015] as amended.

1. THE BOARD OF DIRECTORS

1.1 Composition and size of the Board

The Board has an optimum combination of executive and non-executive directors. As on March 31, 2023, the Board comprised of 6 (six) directors, out of which 2 (two) were Executive Directors and 4 (four) were Non- Executive Directors including 4 (four) Independent director out of which 1 (one) is woman director. The Company has had no pecuniary relations or transactions with the non-executive directors/independent directors other than payment of sitting fees/ fees for professional services and reimbursement of expenses incurred by them for attending meetings of the Board/ Committees of the Company.

1.2 Board Meetings

During the financial year 2022-23, 6 (six) Meetings of the Board were held on May 17, 2022, May 30, 2022, August 10, 2022, October 27, 2022, November 11, 2022 and February 13, 2023. The Board was presented with relevant, statutory and necessary information at these meetings.

The composition of Board of Directors, attendance of each Director at the Board Meetings and the last Annual General Meeting, number of directorships and committee membership(s) /chairmanship(s) of each Director and other details as on March 31, 2023, are tabulated hereunder:

Sr. No.	Name & DIN of Director	Category	No. of Board meetings attended / held during their tenure	Whether attended last AGM held on August 10, 2022	No. of positions held in listed and unlisted public limited companies (including this Company)		
					Directorships	As member (including as Chairman)	As Chairman
1	Shri Niraj Bajaj (DIN: 00028261)	P.CMD	6/6	Yes	7	1	-
2	Shri Prakash V. Mehta (DIN: 00001366)	I.NED	6/6	No#	7	8	3
3	Shri Amit Yadav (DIN: 02768784)	I.NED	6/6	Yes	1	2	1
4	Smt Bharti R Gandhi (DIN: 00306004)	I.NED	6/6	Yes	2	1	-
5	Shri Arvind Madhav Kulkarni (DIN: 01656086)	ED	4/4	Yes	4	-	-
6	Shri R. Sankaran (DIN: 00381139)	I.NED	6/6	Yes	4	2	1
7*	Shri Pratap V. Ashar (DIN:02436046)	NED	-	-	-	-	-

Legend: P: Promoter; CMD: Chairman & Managing Director; I: Independent; NED: Non-Executive Director : ED - Executive Director.

Due to ill health, Shri Prakash V. Mehta, Chairman of Audit Committee could not attend AGM held on August 10, 2022.

*Shri Pratap V. Ashar, Non-executive, Non-independent director of the Company has ceased to be Director of the Company due to his demise on April 08, 2022.

None of the directors is a member of more than ten committees or acting as Chairman of more than five committees across all public companies in which he/ she is a Director as per Regulation 26 of SEBI LODR, 2015.

As per declarations received, none of the directors serves as an independent director in more than seven listed companies. Brief profile of each of the directors of the Company is available on the Company's website at www.mukand.com

For the purpose of considering the number of directorship, limit of the committees on which a director can serve, all public limited companies, whether listed or not have been included, and all other companies including private companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded. Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning committee positions.

None of the directors holds office as director, including alternate director, in more than twenty companies at the same time. None of them has directorship in more than ten public companies. For reckoning the limits of public companies, directorship of private companies that are either holding or subsidiary of public companies are included and directorship in dormant companies are excluded.

Directorship in other listed companies excluding Mukand Limited as on March 31, 2023, is tabulated hereunder

Sr. No.	Name of the Director	Name of listed entities	Category
1	Shri Niraj Bajaj	Bajaj Auto Limited	Non-executive director
		Bajaj Holdings & Investment Limited	Non-executive director
2	Shri Prakash V. Mehta	Oriental Aromatics Limited	Independent director
		Hikal Limited	Independent director
		Bharat Bijlee Limited	Independent director
		Advani Hotels and Resorts (India) Limited	Independent director
3	Shri Amit Yadav	--	--
4	Smt. Bharti R. Gandhi	--	--
5	Shri R. Sankaran	--	--
6	Shri Arvind Madhav Kulkarni	--	--

Skills/ Expertise/ Competencies of the Board of Directors

As stipulated under schedule V to the SEBI LODR, 2015, core skills/expertise/competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of directors.

The chart/matrix of such core skills/expertise/competencies, along with the names of directors who possess such skills, is given below.

i) Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.

ii) Behavioural skills - attributes and competencies to use their knowledge.

iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, decision making.

iv) Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR etc.

v) Technical / Professional skills and specialized knowledge in relation to Company's business.

Name	Core Skills/ Expertise/ Competencies
Shri Niraj Bajaj	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, decision making, Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR, etc., Technical / Professional skills and specialized knowledge in relation to Company's business.

Shri Prakash Mehta	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Corporate Governance, administration, decision making, Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR, etc., Professional skills and specialized knowledge in relation to Company's business.
Shri Amit Yadav	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, decision making. Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR, etc., Technical / Professional skills and specialized knowledge in relation to Company's business.
Smt. Bharti R. Gandhi	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Administration, decision making, Financial and Management skills, human resource management, CSR, etc.
Shri R. Sankaran	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, decision making, Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR, etc., Technical / Professional skills and specialized knowledge in relation to Company's business.
Shri A M Kulkarni	Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates, Behavioural skills - attributes and competencies to use their knowledge, Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, decision making, Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR, etc., Technical / Professional skills and specialized knowledge in relation to Company's business.

Confirmation regarding Independent Directors

Based on annual declaration of independence received from Independent Directors, all the Independent Directors of the Company meet the conditions specified in SEBI LODR, 2015 and are independent of the management.

None of the Independent Directors of the Company resigned before the expiry of their respective tenure during FY: 2022-23.

Information supplied to the Board

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting and /or approval, information is provided on various significant items.

The information supplied by management to the Board of the Company is in accordance with SEBI LODR, 2015 and Companies Act, 2013.

Orderly succession to the Board and Senior Management

The Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and Senior Management.

Review of legal compliance reports

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Maximum tenure of Independent Directors

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and Regulation 25 (2) of SEBI LODR, 2015.

Formal letter of appointment to Independent Directors

The Company issues a formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. The Standard appointment letter containing the terms and conditions of appointment of Independent Directors are placed on the Company's website at www.mukand.com

Appointment / Re-appointment of Directors

Shri Arvind M Kulkarni being liable to retire by rotation shall retire at the ensuing Annual General Meeting (AGM) and being eligible, offer himself for re-appointment.

Shri Nirav Bajaj is appointed as Whole-time Director of the Company for a period of 3 years, w.e.f. May 16, 2023, subject to approval of shareholders at ensuing Annual General Meeting.

Brief profile and other particulars of Shri Arvind M Kulkarni and Shri Nirav Bajaj, pursuant to Regulation 36(3) of the SEBI LODR, 2015 are annexed to the Notice convening AGM which forms part of the Annual Report.

Familiarisation Programme

The Company familiarizes Independent Directors on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, operations of the Company, etc. They are also informed of the important policies of the Company, including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading in securities by Insiders, etc. The particulars of familiarization programme for Independent Directors can be accessed through the web link: http:www.mukand.com. The Directors were provided necessary updates and information about the business and compliances during the quarterly Board meeting/s.

2. AUDIT COMMITTEE

As on March 31, 2023, Audit Committee of the Company comprised of Shri Prakash V. Mehta as Chairman, Shri R. Sankaran and Shri Amit Yadav as members of the Committee, all of whom are Independent Directors.

During the year under review, 4 (four) meetings of the Committee were held on May 17, 2022, August 10, 2022, November 11, 2022 and February 13, 2023. The attendance of the members at the meetings of Committee held during the year is as follows:

Name of Member	Nature of Membership	Meetings Attended / Held
Shri Prakash V. Mehta#	Chairman	4/4
Shri Amit Yadav	Member	4/4
Shri R. Sankaran	Member	4/4

Due to ill health, Shri Prakash V. Mehta, Chairman of Audit Committee could not attend AGM held on August 10, 2022.

All the recommendations of the Audit Committee have been accepted by the Board of Directors during the year.

The Statutory Auditors, Chairman & Managing Director, Chief Executive Officer, Chief Financial Officer, are the permanent invitees to the Audit Committee Meetings. The Cost Auditor is invited to attend the meeting where Cost Audit Report is considered. The Internal Auditors attend where internal audit reports are discussed. The Company Secretary acts as Ex-officio Secretary to the Audit Committee.

Apart from considering un-audited and/or audited financial results for the relevant quarters and for the year prior to adoption/ approval by the Board, the Committee focused its attention on key areas impacting the overall performance of the Company, Operations of Plants, Cost Audit, Review of Internal Control System, Energy Conservation/Saving and Cost Control measures, I.T. Security and Management Information System, Major Accounting Policies and Practices, Current Assets Management, Performance Reviews, Related Party transactions, Annual Budget and Annual Internal Audit plan. Based on the Committee's discussions and review of the observations of the reports submitted by the Company's Internal Auditors on Systems and Controls, Cost Control measures and Statutory Compliance in various functional areas, the Audit Committee advises the management on areas where greater internal control and internal audit focus is needed and on new areas to be taken up for audit.

Terms of reference: The detailed terms of reference of the audit committee have been placed on the website of the Company at https://www.mukand.com/wp-content/uploads/2022/11/terms-of-reference-audit-committee.pdf

3. NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2023, the Nomination and Remuneration Committee (NRC) comprised of Shri Prakash V. Mehta as Chairman, Shri R. Sankaran and Mrs. Bharti R. Gandhi as members of the Committee, all of whom are Independent Directors.

During the year under review, 3 (three) meetings of the Committee were held on May 17, 2022, November 11, 2022 and February 13, 2023. The attendance details of the members of the Committee at the said meetings are as follows:

Name of Member	Nature of Membership	Meetings Attended / Held
Shri Prakash V. Mehta	Chairman	3/3
Shri R. Sankaran	Member	3/3
Smt. Bharti R. Gandhi	Member	3/3

Terms of reference: The detailed terms of reference of the NRC committee have been placed on the website of the Company at https://www.mukand.com/wp-content/uploads/2022/11/terms-of-reference-nomination-remuneration-committee.pdf.

Performance Evaluation

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees constituted as required by the provisions of the Companies Act, 2013 and SEBI LODR, 2015. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. The performance evaluation criteria for Independent Directors is determined as per provisions of the Companies Act, 2013 and SEBI LODR, 2015 and guidance note on evaluation issued by SEBI. An Indicative list of factors on which evaluation was carried out includes participation and contribution by the director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentially and independence of behaviour and judgement.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interests of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent directors being evaluated. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy for Directors, Key Managerial Personnel and other employees

The Company has formulated Nomination & Remuneration policy for implementation by the Committee which is available on the website of the Company under web link: https://www.mukand.com/wp-content/uploads/2023/01/revised-remuneration-policy.pdf

Brief summary of Remuneration Policy for Directors, Key Managerial Personnel and other Employees, inter-alia, is as follows:

A. Non-Executive Directors (NEDs)

NEDs are paid w.e.f. June 30, 2022-

(i) Sitting fee of Rs.100,000/- for every meeting of the Board and Audit Committee attended by them as a member thereof

(ii) Sitting fee of Rs.50,000/- for every meeting of Nomination and Remuneration Committee and Stakeholders' Relationship Committee attended by them as a member thereof and

(iii) Sitting fee of Rs.30,000/- for every meeting of Finance & Investment committee, Risk Management Committee attended by them as a member thereof and meeting of Independent Directors.

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc. shall be made to NEDs.

B. Managing Director, Key Managerial Personnel & Employees

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Director shall take into account the Company's overall performance, Managing Director's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high-performance culture.

The Company has no stock option plans and hence such instruments do not form part of their remuneration package.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, Key Managerial Personnel and Senior Management will have a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

The details of remuneration paid to Shri Niraj Bajaj, Chairman & Managing Director and Shri Arvind M. Kulkarni, Whole-time Director, during financial year 2022-23 is as follows:

Remuneration Package	Niraj Bajaj (Rs. In crore)	Arvind M. Kulkarni* (Rs. In crore)
Salary and allowances	1.14	1.13
Contribution to Provident Fund and Other funds	0.08	0.05
Perquisites	0.06	0.01
Total	**1.28**	**1.19**

* Appointed as Whole-time Director w.e.f. June 28, 2022. The remuneration given above is for FY 2022-23. Re-designated as Non-executive Director w.e.f. April 13, 2023.

The shareholders of the Company have passed special resolution through Postal Ballot Notice dated February 13, 2023, for re-appointment of Shri Niraj Bajaj as Chairman and Managing Director for further period of 3 years with effect from July 05, 2023. His employment can be terminated by giving 6 months' notice in writing. There is no provision for severance fees payable to the Managing Director or Whole-time Directors / Executive Directors of the Company.

The Company does not pay any remuneration to the Non-executive Directors of the Company except for the payment of sitting fees for attending Board and Committee meetings. The Company has not issued stock options to any of its directors. Details of sitting fees paid to the non-executive directors/independent directors during the year and the shares held by them in the Company as on March 31, 2023 is as follows.

Sr. No.	Name of the Director	Gross Sitting Fees (In Rs.)	Equity Share Holding
1	Shri Prakash V. Mehta	11,40,000	-
2	Shri Amit Yadav	9,00,000	1,350#
3	Smt. Bharti R. Gandhi	6,70,000	19,409
4	Shri R. Sankaran	11,80,000	493*
5	Shri Pratap Ashar*	-	-

200 shares held as Karta of Amit Yadav, HUF.

* 77 shares held jointly with spouse.

Sitting fees mentioned above includes payment for Board-level statutory and non-statutory committee meetings as well as meetings of independent directors. No commission was paid to directors during the FY: 2022-23.

*Shri Pratap V. Ashar, non-executive, non-independent director of the Company, has ceased to be Director of the Company due to his demise on April 08, 2022.

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As on March 31, 2023, the Stakeholders' Relationship Committee (SRC) comprised of Shri Amit Yadav as Chairman, Shri Prakash V. Mehta and Smt. Bharti R. Gandhi as members of the Committee. All the members of the committee are Independent Directors.

During the year, a meeting of the Committee was held on May 17, 2022, which was attended by all the members of the Committee.

As on March 31, 2023, no request for dematerialization/ rematerialisation of shares was pending for approval. The Company Secretary, acts as the Compliance Officer to the Committee.

Terms of Reference: The terms of reference of SRC committee have been placed on website of the Company at https://www.mukand.com/wp-content/uploads/2022/11/terms-of-reference-stakeholder-committee.pdf

There were no major complaints from the investors.

Routine complaints relating to details of shares offered, payment of dividends, transfer of shares, dematerialization of shares, issue of duplicate shares, request for change of address, non-returning of share certificates which was mainly due to old invalid share certificates, etc. were attended generally within prescribed time. The Company has not received any material complaints from shareholders through SEBI, Stock Exchanges (NSE & BSE) and other securities market intermediaries (NSDL & CDSL) during the year under review.

Details of shareholders' complaints received and redressed during the financial year 2022-23 are as follows:-

Opening Balance at 01-04-2022	Received in FY: 2022-23	Resolved in FY: 2022-23	Remain unresolved at 31-03-2023
NIL	599	599	NIL

5. RISK MANAGEMENT COMMITTEE

As on March 31, 2023, the Risk Management Committee (RMC) comprised of Shri Niraj Bajaj as Chairman, Shri R. Sankaran and Shri A.M. Kulkarni as members of the Committee.

During the year under review, 2 (two) meetings of the Committee were held on September 27, 2022 and March 24, 2023. The attendance details of the members of the Committee at the said meetings are as follows:

Name of Member	Nature of Membership	No. of Meetings Attended / Held
Shri Niraj Bajaj	Chairman	2/2
Shri R. Sankaran	Member	2/2
Shri A.M. Kulkarni	Member	2/2

Terms of reference: The detailed terms of reference of the RMC committee have been placed on the website of the Company at https://www.mukand.com/wp-content/uploads/2021/08/Risk_Management_Committee_Charter.pdf

6. GENERAL BODY MEETINGS

i) Details of the last three Annual General Meetings of the Company are as follows:

AGM	Date & time of AGM	Venue of AGM
82nd	September 29, 2020 at 2:00 p.m.	Since meeting was through video conferencing, deemed venue of the meeting was Registered Office of the Company i.e., 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021
83rd	September 18, 2021 at 12.00 noon	Since meeting was through video conferencing, deemed venue of the meeting was Registered Office of the Company i.e., 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

84th	August 10, 2022 at 11:30 a.m.	Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

ii) The details of the Special Resolutions passed in the Annual General Meetings held in the previous three (3) years are given below:

No. of AGM	Date & Time of AGM	Description of Special Resolution
82nd	September 29, 2020 at 2:00 p.m.	i) Increase in Borrowing Powers of the Board. ii) Re-appointment and approval of remuneration of Shri Niraj Bajaj (DIN:00028261) as Chairman & Managing Director. iii) Re-appointment and approval of remuneration of Shri Rajesh V. Shah (DIN:00021752) as Co-Chairman & Managing Director. iv) Re-appointment and approval of remuneration of Shri Suketu V. Shah (DIN: 00033407) as Joint Managing Director. v) General approval for Issue of Redeemable Non-convertible Debentures on private placement basis. vi) Sale/ Transfer upto 51% equity shares held in Mukand Sumi Special Steel Limited, a Joint Venture of Company.
83rd	September 18, 2021 at 12:00 noon	i) Approval for re-appointment /re-designation/ continuation of Shri Pratap V. Ashar as a Non- executive Director. ii) General approval for Issue of Redeemable Non-convertible Debentures on private placement basis.
84th	August 10, 2022 at 11:30 a.m.	i) General approval for Issue of Redeemable Non-convertible Debentures on private placement basis

iii) **Details of Postal Ballot conducted during the year:** During the year, following Special Resolutions were passed through postal ballot

1. To appoint Shri A M Kulkarni as Whole-time Director and fix remuneration payable to him.

   a) Details of the Scrutiniser: Anant B. Khamankar & Co., Practising Company Secretary, Mumbai

   b) Date of approval of resolution: June 28, 2022

   c) Date of Scrutinizer report: June 29, 2022

   d) Type of Resolution: Special Resolution

Total no. of valid votes polled	Total no. of votes - in favour (%)	Total no of votes - against (%)
11,05,27,267	11,05,27,168 (99.9999%)	99 (0.0001%)

The Scrutiniser's Report along with details of voting for the above Postal ballots have been posted on the Company's website and can be accessed at https://www.mukand.com/wp-content/uploads/2023/01/postal-ballot-voting-results-scrutiniser-report-fy-2022-23.pdf

2 i) Re-appointment of Shri Niraj Bajaj (DIN: 00028261) as Chairman & Managing Director.

ii) Approval of remuneration of Shri Niraj Bajaj (DIN:00028261) as Chairman & Managing Director

iii) Appointment /re-designation/ continuation of Shri Arvind Madhav Kulkarni as a Non- Executive Director

a) Details of the Scrutiniser: Anirudh Kumar Tanwar, Practising Company Secretary, Mumbai

b) Date of approval of resolutions: March 19, 2023

c) Date of Scrutinizer report: March 20, 2023

d) Type of Resolution: Special Resolutions

Resolution no.	Total no. of valid votes polled	Total no. of votes - in favour (%)	Total no of votes - against (%)
i	1,58,75,038	1,58,74,226 (99.9949%)	812 (0.00051%)
ii	1,58,75,058	1,58,73,787 (99.9920%)	1271 (0.0080%)
iii	11,26,90,401	11,26,89,254 (99.9990%)	1147 (0.0010%)

The Scrutiniser's Report along with details of voting for the above Postal Ballots have been posted on the Company's website and can be accessed at https://www.mukand.com/wp-content/uploads/2023/03/Postal-Ballot-Voting-Result-of-13th-February-23-Scrutinizers-Report.pdf

iv) Details of proposed business item through postal ballot:

None of the businesses proposed to be transacted at the ensuing 85th Annual General Meeting require passing a resolution through Postal Ballot.

v) Procedure for Postal Ballot:

The Postal Ballot was carried out as per the provisions of Section 108 and 110 and other applicable provisions of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended, (including any statutory modification or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standards issued by the Institute of Company Secretaries of India on General Meeting ('SS-2') and the relaxations and clarifications issued by Ministry of Corporate Affairs vide General Circular Nos. 14/2020 dated April, 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and General Circular No.11/2022 dated December 28, 2022 and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India.

7. Related Party Transactions

There were no materially significant related party transactions made by the Company with related parties during the year, which may have potential conflict with the interests of the Company at large. The details of transactions with related parties are disclosed in the Financial Statements. The Policy on Materiality of Related Party Transactions in terms of provisions of Regulation 23 and Schedule V of SEBI LODR, 2015 is uploaded on the website of the Company and can be accessed at: https://www.mukand.com/wp-content/uploads/2023/01/revised-policy-on-materiality-related-party-transactions.pdf

7.1 Compliance with Regulations

There were neither non-compliance on any matters related to capital markets by the Company during the last three years, nor did the Company attract any penalties or strictures passed by the stock exchanges, SEBI or any other statutory authority except one instance in financial year 2021-22 detailed below.

During financial year 2021-22, there was an instance of delay in obtaining prior approval of shareholders pertaining to continuation of Shri Pratap V Ashar, non-executive director, as required under Regulation 17(1A) of SEBI LODR, 2015. In respect of the aforesaid delay, NSE and BSE have levied a fine of Rs.2,24,000 each on the Company. The Company has paid the fines within the prescribed period. The application made by the Company to BSE and NSE for waiver for fine has been rejected by BSE and NSE.

7.2. Risk Management

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Director of the Company. The Audit Committee and Risk Management Committee periodically reviews the adequacy and efficacy of the overall risk management system.

7.3. Commodity price risk or foreign exchange risk and hedging activities

7.3.1. Commodity prices

The Company's profitability depends on the following commodities, viz., iron ore, coke, nickel, chrome and scrap. The prices of these commodities are highly volatile. In case of iron ore which is obtained locally, the Company takes various steps to substitute use of cheaper iron ore by processing and replacing the costly iron ore. In case of Coke and Coal which are imported, the purchase contracts are scheduled for the long or short period, depending on the expectation of rise or fall in the prices. In the case of other imported items nickel, chrome, molybdenum and shredded scrap, back to back contracts are executed with suppliers and customers. The Company has no hedging activities for commodities.

7.3.2 Foreign Exchange Risk and hedging activities

The Company's net foreign exchange exposure during the year under review was Rs.1,269.90 crore. The Company has taken strategic decisions to hedge its exports and imports and managed the foreign exchange exposure through forex policy. The rupee dollar rate has been volatile during the year to the extent of 10.52% and depreciated at the end by 8.55% compared to the opening rate. The Company keeps a close watch on the dollar rupee movement and the forward cover transactions are made based on the future risk perceptions.

7.4 Other Disclosures

7.4.1 The Company's policies for determining Material Subsidiaries, on dealing with related party transactions and details of establishment of Vigil Mechanism along with details of web link (in cases where it is prescribed) are given in Annexure-5.

7.4.2 The Company has complied with all the Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR, 2015.

7.4.3 Details of the Demat Suspense Account / Unclaimed Suspense Account is as follows:

Particulars	No. of Equity Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2022	253	11,047
Shareholders who approached the Company for transfer of shares from suspense account during the year	3	92
Shareholders to whom shares were transferred from the suspense account during the year	3	92
Shareholders whose shares are transferred to demat account of the IEPF authority as per section 124 of the Act	-	-
Aggregate number of shareholders and outstanding shares in the suspense account as on March 31, 2023	250	10,955

The voting rights on the shares outstanding in the suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

7.4.4 Suitable disclosures have been made in the financial statements, together with Management's explanation in the event of any treatment being different from that prescribed in Ind-AS.

8. Code of Conduct

All directors and senior management personnel have affirmed compliance with the code of conduct for financial year 2022-23 as required under regulation 26(3) of SEBI LODR, 2015. A declaration to this effect signed by the Managing Directors is annexed to this Report.

There were no materially significant transactions during the financial year with Board members and senior management, including their relatives that had or could have had a potential conflict of interest with the Company. The code of conduct is available on the website of the Company.

9. Code for Prevention of Insider Trading

The Company has instituted a Code of Conduct for prevention of Insider Trading in the securities of the Company for its Directors and designated persons as required by SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The said Code is available on the website of the Company at www.mukand.com

10. CEO and CFO Certification

In accordance with the requirement of Regulation 17(8) of the SEBI LODR, 2015, the CEOs i.e. Chairman & Managing Director, and CFO i.e., Chief Financial Officer have furnished the requisite certificates to the Board of Directors of the Company.

11. Means of Communication

The quarterly un-audited and yearly audited financial results are published in English and regional language newspapers. The financial results, shareholding pattern and other corporate communications are filed with the Stock Exchanges in compliance with Regulation 30, 31 and 33 of SEBI LODR, 2015 are also available on the website of the Company. The Management Discussion and Analysis forms part of the Annual Report. All financial and other vital information is promptly communicated to the Stock Exchanges where the Company's shares are listed. During the financial year under review, the Company has not made any separate presentation to financial analysts. Information, in words and visuals, about the Company and its businesses, including products manufactured, projects executed, facilities and processes, quality policy, financial results, shareholding pattern, code of conduct, press releases etc. is available at the corporate website at www.mukand.com.

12. SHAREHOLDERS' INFORMATION

12.1 85th Annual General Meeting

Date	August 11, 2023
Time	11:30 a.m.
Venue	Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021

As per SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with SEBI circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, the Annual Report of the Company for the financial year 2022-23 along with the Notice of Annual General Meeting are being sent by email to the members and all other persons/entities entitled to receive the same. The Company has also made arrangements for those shareholders who have not yet registered their email address to get the same registered by following the procedure prescribed in the Notice of Annual General Meeting. Detailed procedure is provided in the notes section of Notice of Annual General Meeting.

12.2 Tentative Financial calendar

Tentative schedule for consideration of Financial Results: Financial Year - April 1, 2023 to March 31, 2024

First quarter financial results	On or before August 14, 2023
Second quarter financial results	On or before November 14, 2023
Third quarter financial results	On or before February 14, 2024
Quarter Four /Annual Results for FY: 2023-24	On or before May 30, 2024

12.3 Book Closure and Payment of dividend

12.3.1 Register of Members/Share Transfer Books

Register of Members and Share Transfer Books of the Company will remain closed from July 29, 2023 to August 11, 2023 (both days inclusive) for taking record of the Members of the Company for the purpose of payment of Dividend and for Annual General Meeting (AGM).

The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity as on the cut-off date i.e. August 04, 2023.

12.3.2 Dividend and record date of payment of dividend

Subject to approval of members at the ensuing AGM, the Board of directors has recommended the following dividend for FY: 2022-23

a. The Board recommended a dividend of Rs.2/- per equity share of Rs.10/- each fully paid (i.e.@ 20% per share) for the financial year 2022-23,

b. The Board recommended a dividend on 56,26,320 8% Cumulative Redeemable Preference Shares at the rate of 8% p.a. per share for financial year 2022-23.

The Record Date for payment of dividends shall be **July 28, 2023.**

12.4 Stock Exchange Listing

Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the applicable listing fees have been duly paid to these Stock Exchanges for the financial 2022-23.

12.5 Stock Code

Sr. No.	Particulars	Equity Shares
1	BSE	500460
2	NSE	MUKANDLTD
3	ISIN of Security	INE304A01026
4	Address of BSE	P.J. Towers, Dalal Street, Mumbai – 400 001
5	Address of NSE	Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.

12.6 Stock Price Data

Monthly highs and lows of the Company's Equity Share prices on the BSE and NSE in the FY: 2022-23, are given hereunder:

Equity

Month	BSE (Rs. per share)		NSE (Rs. per share)	
	High	Low	High	Low
Year -2022				
April	164.95	132.00	165.30	132.05
May	140.00	111.00	136.40	110.10
June	130.00	97.50	130.30	98.00
July	117.00	100.25	117.40	100.05
August	126.65	108.00	126.85	108.60
September	119.20	99.00	119.95	99.00
October	110.90	99.15	111.40	98.40
November	117.15	101.00	118.00	100.75
December	141.00	107.00	141.00	108.20
Year- 2023				
January	145.45	122.50	145.60	122.35
February	136.00	119.00	135.90	120.85
March	150.00	122.45	149.70	122.20

12.7 Comparative Stock Price Performance

12.8 Share Transfer Agent

The Company has appointed KFin Technologies Limited ('KFintech'), as its Registrar & share transfer agent for carrying out the work relating to share transfer / dematerialization /re-materialisation of shares and allied activities.

All physical transfers, transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants etc. as well as requests for dematerialization/re-materialisation are being processed periodically at KFintech. The work relating to dematerialization/re- materialisation is handled by KFintech through connectivity with National Securities Depository Limited and Central Depository Services (India) Limited.

12.9 Unclaimed Dividend & Transfer of shares to IEPF

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates the Companies to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). As per provisions of section 124 and read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'). No dividend declared on the equity shares and CRPS for the financial year 2015-16.

Shareholders who have not encashed their Dividend Warrants relating to the Dividends as specified above are advised to send their request letter for issue of demand drafts to the Share Transfer Agent of the Company or Nodal officer of the Company; Shri Rajendra Sawant. The details of unpaid/unclaimed dividends are available on the website of the Company. During the year, there were no shares liable to be transferred to IEPF.

Transfer of 'Underlying Shares' in respect of which Dividend has not been claimed for seven consecutive years or more, to the IEPF:

In terms of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, members are requested to note that pursuant to section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the 'IEPF Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the Company within a period of thirty days of expiry of said seven years. Upon transfer of such shares, all benefits (e.g. bonus, spilt etc.), if any, accruing on such shares shall also be credited to the IEPF Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shareholders are requested to get in touch with the nodal officer for further details on the subject at investors@mukand.com.

12.10 Share Transfer System

During FY 2022-23, Share transfers (transmission/transposition) received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided that documents are complete in all respects.

12.11 Distribution of Shareholding

a) **Equity Shares:** The Company had 45,132 equity shareholders as on March 31, 2023. Distribution of shareholding of equity shares is given in the table hereunder:

Sr. No.	Category (Equity Shares)	No. of Holders	% of Holders	No. of Shares	% of Equity Capital
1	1 – 50	23941	53.05	4,21,791	0.29
2	51 – 100	7001	15.51	5,89,128	0.41
3	101 – 500	9309	20.63	23,82,289	1.65
4	501 – 1000	2161	4.79	17,20,429	1.19
5	1001 – 5000	2029	4.50	45,23,168	3.13
6	5001 – 10000	310	0.69	22,57,674	1.56
7	10001 and above	381	0.84	13,26,01,084	91.77
	Total	**45132**	**100.00**	**14,44,95,563**	**100.00**

b) **Shareholding pattern of the Equity Shares as on March 31, 2023 is as under**

Sr. No.	Category of Shareholders	No. of Shares	% of total Equity Shareholding
1	Promoter and Promoter Group	10,74,43,650	74.36
2	Mutual Funds	1,078	-
3	Banks and Financial Institutions / NBFC's Registered with the RBI	8,742	0.01
4	Insurance Companies	30,16,379	2.09
5	Bodies Corporate	82,12,600	5.68
6	Clearing Member	65,116	0.05
7	Foreign Institutional & Portfolio Investors	2,04,900	0.14
8	Non–Resident Indians /OCB'S	11,72,372	0.81
9	IEPF Authority	4,34,533	0.30
10	Public and others	2,39,36,193	16.56
	Total	**14,44,95,563**	**100.00**

c) **Shareholding pattern of the 8% Cumulative Redeemable Preference Shares as on March 31, 2023 is as under**

Category	No. of shares	Percentage
Promoter & Promoter Group	56,26,320	100.00
Public	-	-

12.12 Dematerialization of Shares and liquidity

The Company's Shares are dealt with at both the depositories viz. NSDL and CDSL. The Company for the benefit of the Shareholders has made one-time payment to NSDL towards custodial charges. During the year, 2,90,223 equity shares were dematerialized in respect of 489 requests.

As on March 31, 2023, 32,727 shareholders (without grouping of common folios) held equity shares in 14,35,46,461 equity shares in demat and 12,405 shareholders (without grouping of common folios) held 9,49,102 equity shares in physical form. The dematerialization level percentage of equity share capital of the Company stood at 99.34%.

As on March 31, 2023, 28,13,160 Unlisted 8% CRPS shares held in demat each by Jamnalal Sons Private Limited and Bachhraj & Company Private Limited. All 8% CRPS shares are held in demat mode.

12.13 Plant locations

(i) Dighe, Thane, Maharashtra-400605.

(ii) Ginigera, Karnataka-583228.

12.14 Address for Correspondence

Investors and shareholders can correspond with the share transfer agents or the registered office of the Company at the following address:

(i) Physical Shares

Share Transfer Agents

KFin Technologies Limited

Unit- Mukand Limited

Address: Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500032, Telangana.

Contact persons: Shri Bhaskar Roy and Shri Mohd. Mohsinuddin

Toll free no:1800-309-4001; Fax:(040)23001153, E-mail: einward.ris@kfintech.com Website:www.kfintech.com or http://ris.kfintech.com/

(ii) Demat Shares:

Respective Depository Participants of Shareholders.

(iii) Company - Shares & Fixed Deposits

Contact person: Shri Rajendra Sawant, Company Secretary and Compliance Officer

Address: 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400021, Maharashtra. Tel: 022-61216666

E-mail: investors@mukand.com, Fixed Deposits:fixeddeposit@mukand.com Website: www.mukand.com

12.15 Changes/Revisions in Credit Ratings

During the financial year 2022-23, following revision has been made in the credit ratings.

Total Fixed Deposits Rated	Rs.180.48 Crore
Fixed Deposit Rating	ACUITE BBB / Outlook : Stable
Total Long Term Bank Loan Rated	Rs.1,400.48
Long Term Rating	ACUITE BBB / Outlook : Stable
Total Short Term Bank Loan Rated	Rs.185.00
Short Term Rating	ACUITE A3+

12.16 Details of utilization of funds raised through preferential allotment, Institutions Placement as specified under Regulation 32 (7A)

During the financial year 2022-23, the Company has not raised funds through preferential allotment or qualified institutions placement as specified in Regulation 32(7A) of SEBI LODR, 2015.

13. ADOPTION OF MANDATORY & NON-MANDATORY REQUIREMENTS

13.1. Mandatory

The Company has fully adopted the mandatory requirements of all Regulations of SEBI LODR, 2015.

13.2. Non-mandatory

i) Shareholder rights: Quarterly financial results were published in one English newspaper and in one Marathi newspaper. These were not sent individually to the shareholders.

ii) Audit Qualifications: The auditors' report does not contain any qualification.

iii) Separate post of Chairman and CEO: The Company has same person as Chairman & Managing Director.

iv) Reporting of Internal Auditor: Internal Auditors are invited to the meetings of the Audit Committee wherein they report directly to the Committee.

14. Certificate on Corporate Governance Compliance

The Company has obtained a certificate from M/s. DHC & Co., Chartered Accountants, Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in the SEBI LODR, 2015. This certificate is annexed to this Corporate Governance Report. The certificate will be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

15. Details of fees paid to Statutory Auditors

During the financial year 2022-23, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors, M/s.DHC & Co., Chartered Accountants and all entities in the network firm/network entity of which the statutory auditors is a part, is as under:

Particulars of Auditors remuneration	Fees (Rs. in crore)
For Statutory audit	0.661
For other services	0.399
For taxation matters	0.080
Out of pocket expenses	0.003
Total	**1.143**

During the year, Statutory Auditors of the Company has not rendered any services to subsidiary companies.

16. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The required disclosure is given in the Directors' report.

17. Loans and advances in which directors are interested.

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

18. Disclosure in relation to material subsidiaries

Material Subsidiary – Mukand Sumi Metal Processing Limited

Date of Incorporation – August 01, 2012

Place of Incorporation – Mumbai, Maharashtra

Name & date of appointment of statutory auditor of material subsidiary M/s DHC & Co., Chartered Accountant is appointed as Statutory Auditors of Mukand Sumi Metal Processing Limited at its 15th Annual General Meeting held on August 09, 2022 for a period of 5 years beginning April 01, 2022 to March 31, 2027.

19. Certificate on non-disqualification of Directors

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. A certificate to this effect issued by Shri Anant B. Khamankar of M/s. Anant B Khamankar & Co., Practising Company Secretary, is annexed to this report.

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director
DIN: 00028261

Mumbai, May 16, 2023

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Members of

Mukand Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated June 10, 2022 read with addendum to our engagement letter dated August 16, 2022.
2. We have examined the compliance of conditions of Corporate Governance by Mukand Limited ('the Company'), for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated under the listing regulations. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2023, subject to Regulation 18(1)(d) in relation to non-attendance of chairperson of the audit committee at the Annual General Meeting of the Company held on August 10, 2022 due to ill health.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this certificate.

For DHC and Co.
Chartered Accountants
ICAI Firm Registration No.103525W

Atul Paliwal
Partner
Membership No. 401969
UDIN: 23401969BGYJDW5395

Place: Jaipur
Date: May 16, 2023

CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS

[As per Clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations]

To,
The Members,
MUKAND LIMITED
Bajaj Bhawan,
Jamnalal Bajaj Marg, 226,
Nariman Point, Mumbai - 400021.

Pursuant to Clause 10 (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the said Listed Regulations, we hereby certify that none of the Directors on the board of **"Mukand Limited"** have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority as on the financial year ended on March 31, 2023.

FOR **ANANT B KHAMANKAR & CO.,**
COMPANY SECRETARIES

ANANT B. KHAMANKAR
PROPRIETOR
FCS NO – 3198
CP NO – 1860
UDIN: F003198E000179440

DATE: April 24, 2023
PLACE: Mumbai

CEO / CFO CERTIFICATION

[As per Schedule II, Part B r/w Regulation 17(8) of the SEBI (LO&DR)]

We, the undersigned, certify that:

(A) We have reviewed the Financial Statements and the Cash Flow Statement of MUKAND LIMITED for the financial year ended March 31, 2023 and to the best of our knowledge and belief state that:

  i. these statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading; and

  ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee,

  i. that there were no significant changes in internal control over financial reporting during the year;

  ii. that there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  iii. that there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai, May 16, 2023	**Niraj Bajaj** **Chairman & Managing Director**	**Dhanesh K. Goradia** **Chief Financial Officer**

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

[As per Part D of Schedule V r/w Regulation 34(3) of the SEBI (LO&DR)]

We, hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Directors and Senior Management Personnel' as laid down by the Company for the year ended March 31, 2023.

Mumbai, May 16, 2023

Niraj Bajaj

Chairman & Managing Director

Annexure-5

Brief description of Company's policies on I) Directors' appointment and Remuneration, determining criteria for qualification/independence, II) Remuneration for Directors, Key Managerial Personnel and other employees, III) performance evaluation of the Board, Committees and Directors, IV) on Materiality of Related Party Transactions, V) Risk Management, VI) for Determining Material Subsidiaries and VII) Whistle Blower/Vigil Mechanism.

Annexure to the Directors' report

(I) Company's policy on Directors' appointment and Remuneration, determining criteria for qualification/ independence, etc.

i) The 'Policy on the Board Diversity' is formulated by the Nomination & Remuneration Committee of the Board of Directors of the Company.

ii) The Committee, while recommending the appointment of Directors, is required to keep in view that the persons being recommended are persons of eminence having diverse experience and skills in areas such as profession, business, industry, finance, law, administration, research etc., add value to the strategic needs of the Company and serve the governance.

iii) Independence of Independent Directors:

An independent director to meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) concerning independence of directors.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees

i) Non-Executive Directors (NEDs)

With effect from June 01, 2022, NEDs are paid –

a) Sitting fee of Rs. 100,000/- for every meeting of the Board or Audit Committee thereof attended by them as a member thereof;

b) Sitting fee of Rs. 50,000/- for every meeting of Nomination and Remuneration Committee, Stakeholders Relationship Committee attended by them as a member thereof and of Independent Directors of the Company; and

c) Sitting fee of Rs.30,000/- for every meeting of Finance & Investment committee, Risk Management Committee attended by them as a member thereof and meeting of Independent Directors.

ii) Managing Directors, Key Managerial Personnel & Other Employees

The objective of the Remuneration Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Directors shall take into account the Company's overall performance, their contribution for the same and trends in the industry in general, in a manner which will ensure and support high performance culture.

The Company does not have stock option plans and hence such instruments do not form part of the remuneration package.

Remuneration to Managing Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration structure for other employees has compensation policy so as to reward and retain talent.

The weblink of the policy to access the same on the website of the company. http://www.mukand.com/wpcontent/uploads/2015/09/9.Remuneration-and-evaluation-policy.pdf.

(III) Performance Evaluation

The criteria for evaluation for performance of the Board, its Directors and Committees are formulated by the Nomination & Remuneration Committee of the Board of Directors of the Company and are as under:

1. For Board & Committees of the Board

a) The Board will have requisite number of Independent Directors including a woman director as required under Companies Act, 2013;

b) Frequency of Meetings and attendance thereat;

c) Discharge of the key functions and responsibility prescribed under Law;

d) Monitoring the effectiveness of corporate governance practices;

e) Ensuring the integrity of the company's accounting and financial reporting systems, independent audit, internal audit and risk management systems (for Board and Audit Committee);

2. **For Directors**

   a) Pro-active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and the steps needed to meet challenges from the competition;

   b) Acting in good faith and in the interests of the Company as whole;

   c) Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon.

(IV) Policy on Materiality of Related Party transactions

Related Party Transactions (RPTs) of the Company covered under the Companies Act, 2013 and Regulation 23 of SEBI LODR, 2015 are to be approved by the Audit Committee of the Board from time to time.

Consent of the Board and the Shareholders would be taken in respect of all RPTs, except in following cases:

a) Where the transactions are below the threshold limits specified in the Companies Act, 2013 & Rules framed thereunder or the SEBI LODR, 2015 as may be applicable; or

b) Where the transactions are entered into by the Company in its ordinary course of business and are on an arms' length basis; or

c) Payment made with respect to brand usage or royalty where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, do not exceed five percent of the annual consolidated turnover as per the last audited financial statements of the company.

d) Where the transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company whichever is lower.

   Dealing with Related Party Transactions shall be in accordance with the Companies Act, 2013 & Rules thereunder, SEBI LODR, 2015 and other applicable provisions for the time being in force.

   The detailed policy on Materiality of Related Party transactions covering above can also be accessed on the Company's website under the weblink: https://www.mukand.com/wp-content/uploads/2022/06/Revised-Policy-on-materiality-of-RPTs-Feb-2022.pdf

(V) Risk Management Committee & Risk Management Policy of the Company

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Directors of the Company. The Audit Committee/Board periodically reviews the adequacy and efficacy of the overall risk management system.

In compliance with provisions of SEBI LODR, 2015, the Board of Directors at its meeting held on August 11, 2021 had approved constitution of Risk Management Committee. The present Risk Management Committee comprises of Shri Niraj Bajaj- Chairman, Shri R. Sankaran, Independent Director, Shri A.M. Kulkarni, Non-Executive Director and Shri Shashibhushan Upadhyay, President, as members of the Committee. The Risk management Committee Charter is available on the Company's website under the weblink: https://www.mukand.com/wp-content/uploads/2021/08/Risk_Management_Committee_Charter.pdf

(VI) Policy for determining Material Subsidiaries

'Material subsidiary' shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

The detailed policy on above can also be accessed on the Company's website under the weblink: www.mukand.com/investor/others/policeshttp://www.mukand.com/wp-content/uploads/2019.

(VII) Whistle Blower Policy/Vigil Mechanism

The director/employee to address the complaint to any member of the Enforcement Committee along with the available details and evidence to the extent possible. In case, the complaint is received by a person, other than an enforcement committee member, the same is required to be forwarded by him to the Enforcement Committee.

The Whistle Blower is to be protected from any kind of discrimination, harassment, victimization or any other unfair employment practice.

The Enforcement Committee to investigate and decide the case and recommend action within four weeks to the Chairman & Managing Director. The final action to be taken will be decided by the Chairman & Managing Director.

The director in all cases and employee in appropriate or exceptional cases to have direct access with the Chairman of the Audit Committee of the Board of Directors of the Company.

The Enforcement Committee to report to the Chairman & Managing Director.

The Company affirms that no employee has been denied access to the Audit Committee.

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director
DIN: 00028261

Mumbai , May 16, 2023

Annexure -6

Annexure to the Director's Report

FORM NO. AOC-2

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

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

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

The Company has not entered into any contract or arrangements or transactions with its related parties which is not at arm's length during the financial year 2022-23

2. Details of contracts or arrangements or transactions at arm's length basis:

(a)	**Name of related party and nature of relationship**	Mukand Sumi Metal Processing Limited, wholly owned subsidiary company	Mukand Sumi Special Steel Limited, promoter group company
(b)	**Nature of contracts/ arrangements / transactions**	Sales of goods and rendering of services, purchase of goods and receiving services	Sales of goods and rendering of services, purchase of goods and receiving services
(c)	**Duration of the contracts/ arrangements / transactions**	On quarterly basis	On quarterly basis
(d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Arm's length basis and credit period of 7 days. Transactions value for FY 2022-23 was Rs.712.88 crore	Arm's length basis and credit period of 7 days. Transactions value for FY 2022-23 was Rs.2,651.66 crore
(e)	**Date(s) of approval by the Board**	In the first quarter meeting of the Board	In the first quarter meeting of the Board
(f)	**Amount paid as advances, if any**	--	--

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director
DIN: 00028261

Mumbai, May 16, 2023

Annexure -7

Annexure to the Directors' Report

Disclosure of particulars with respect to Conversion of Energy, Technology, Absorption and Foreign Exchange Earnings and outgo as required under Companies Act, 2013.

A. Conservation of Energy

i) Energy Conservations Measures taken.

Steel Plant:

(a) For reduction in consumption of Electrical Energy:

❖ Installation of Energy Efficient Pumps in Pump House.

❖ Program modification done for switching OFF Cooling Bed Roller Table when there is no rolling for more than 10 minutes in Wire Rod Mill.

❖ Upgradation of Electrode Regulation System in Ladle Refining Furnace.

❖ Automatic Power Factor Controller (2.5 MVAR) implemented.

❖ Installation of Screw Compressor in place of Reciprocating Compressor done.

❖ Various steps are taken to increase the productivity of SMS.

(b) Fuel:

Steps taken to reduce Fuel Consumption:

❖ Fine tuning of 5T SAF done from External Expert.

❖ Furnace Temperature control done in Mills during Delays.

ii) Steps taken by the Company for utilizing alternate source of energy

Increase in use of:

- Wind energy
- Solar energy
- Higher pulverized coal injection in mini- Blast Furnace

iii) Capital Investment on Energy Conservation Equipment:

Sr. No.	Description	(₹ in Crore)	Planned for Year	Status
1	Screw Compressor	0.15	2022-23	Completed
2	Automatic Power Factor Controller (2.5 MVAR)	1.00	2022-23	Completed
3	Automatic Power Factor Controller (5 MVAR)	5.00	2023-24	Under Implementation

B. Technology absorption, adoption and Innovation

i) Efforts made towards technology absorption.

❖ Usage of ESR 2 mm around 20 MT/day in Sinter plant.

❖ Recycling of plant waste material resulted Cost Benefit of Rs 1.13 Cr in 2022-23

❖ Direct usage of wet slurry into PMD and sludge which resulted avoiding double handling, pollution free.

❖ Higher production by 100 -150MT per day (1% O2 enrichment will increase 2.0-2.5% productivity)

❖ Improvement in BFG calorific value i.e., 850 Kcal/Nm3.

❖ Improvement in steam generation in boiler & Power generation has increased.

❖ Installed one side burner in Sinter plant -1, resulted increase in ignition furnace temperature more than 1100 degree centigrade, resulted increase in production (692258 MT total Sinter).

❖ Increase the rate of oxygen in BF-3 (3800 Nm3) and BF-1 (1700 Nm3) resulted increase in Hot metal production (645066 MT total Hot metal).

- Input material effective sampling & analysis for right input blend (4 times/day) to improve the input quality parameters.
- Ferro alloy usage optimization and cost savings:
- Consumption of Aluminium has minimised due to catch carbon improvement in EOF (reduction of aluminium consumption from 1.85 Kg/MT to 1.75 Kg/MT.
- Usage of Silicon metal during tapping in EOF which resulted minimization of Aluminium level and Titanium for Spring application grades.
- Established 160x160: 12mtr for smooth casting & control the bend rejection from 4.77 to 0.37%
- Various trials conducted to minimize chocking tendency and increase sequence ratio like (Mag filter trial, Argon MBS, Argon in SEN in high S grades)
- As Cast 180 Dia (First Time Right) developed and 1 heat supplied.
- Enhancing Mould tube life increase by replacing from Cr- plating to Ni-Cr- Cobalt plating.
- Usage of Vanadium pentoxide in place of Ferro vanadium which resulted cost reduction in Ferro vanadium.
- Achieved 96.08 % rolling yield FY 2022-23 against 95.98 % yield in FY 2021-22.
- Input length for 165 RCS has been increased from 3.1 metres to 3.25 metres.
- End discard at P-3 for HV Mill Material has been decreased by 50 mm.
- Utilisation improvement in RMS 1 by better planning by rolling family wise sizes in every set.
- Auto flow control of BFG gas in heating zone in RMS1 started.
- New Sizes (128, 98, & 93mm dia) developed for M/s. Varroc, BFL, & KTFL, First time right
- Zero bend in MSSSL cogged material
- Improvement in Pb recovery in leaded heats. (>60%).
- Celox-Oxygen, Carbon measurement @ EOF
- Idle time for cold saw cutting minimized from 8 minutes to 1 minute.
- NDT Inspection 22040 MT (RMS1 + RMS2) (Last achieved 20025 MT in Mar-2021
- SAE 5130M (High Al with Sulphur) Two heats casted with Argon MBS
- Auto UT upto 130mm DIA stabilized.
- Reduction due to melting by minimizing sms process deviations.
- Various cost saving projects executed for minimization of Bloom & Billet grinding: 4.56Cr Annual savings achieved.
- Production of M sand from Energy Optimizing furnace Slag.

ii) Benefits derived as a result of the above efforts:

- 75KW drive installed in dry fog system and saving of 4800 kw/Month.
- Automation of HV Mill TOT CB-1&2 Hydraulic pump operation with pressure interlock provided.
- Electrode regulation system both electronics and hydraulics of LRF1 upgraded.
- 2 strand and 4 strand wire feeding machine PLC upgraded and hooked up with SAP.
- Energy saving by installing VFD for combustion blower at RMS-1 and saving of 9048 kw/Month.
- Energy saving by installing VFD for RHF-2 ejector at RMS-1 and saving of 2250 kw/Month.
- Energy saving by installing VFD for UT de-scaler at RMS-1 and saving of 6960 kw/Month.
- Automation of Hot saw travelling while rolling heavy sections in RMS-2 and saving of 2050 kw/Month.
- Automation of F2 front RT motor during rolling heavy sections in RMS-2 and saving of 1000 kw/month.
- Automation of TOT HPP with pressure during rolling heavy sections in RMS-2 and saving of 2530 kw/month.
- Automation of Griptilter HPP with pressure during rolling heavy sections in RMS-2 and saving of 2450 kw/month.

- As a part of replacement of conventional power 5.74 Cr of renewable power has been consumed to replace conventional power from KPTCL grid and thus reduce CO2 /tcs.
- 220KV incoming breaker upgraded for smooth and reliable operation.
- Installation of new Jominy Hardenability testing with water temperature control.
- Latest XRF - Perform X installed.

New Grade Development

Grade	Customer	Specialty/Application
51B40	KPF	Fastener application export
SAE 8319	GKN	Hypoid ring & Pinion gear
42CrMoS4-AT	M/s. Auto Tech	Bracket application (M/s Scania)
SAE 1035	M/s Ultra Engineers Ltd	Valve application for L& T
70MnVS4	M/s SFL Pvt. Limited.	Connecting rod
VS13111	M/s. Saab Engineering (Mico Bosch) Ltd	ULC, Housing application
19MnB4(M).HC	M/s Daulat Pvt. Ltd.,	Wire rod export order
JSAW 2	M/s. JSL (For ML)-FTR	Seamless tubes for ML
78ACR	M/s. Press Stress Wires Ltd.	Wire rod application
10B33Cr	M/s. KPF	Export order
55SiCr63 (with Low Ti)	M/s. Peng Usha pvt.Ltd	Spring steel with Low Ti.
UNS S32750	M/S Ratnamani Metal & Tubes Ltd.	Seamless Pipes and Tubes
303B	M/S BOSCH	Fuel Injection Pump

New certifications or approvals or recognition received in the year 22-23 for Hospet plant.

- NTN Approved for Hub Bearing Steels
- Bosch Approved for 45CRPb.
- SKF Approved for SKFGRD4
- NRB bearings approved for 16MnCr5B (ZF6)
- NABL accreditation of Kalwe Laboratory.

iii) Imported technology:

The Company has not imported any technology during the year under review.

iv) Expenditure on R&D:

Description	2022-23 (₹ in Crore)	2021-22 (₹ in Crore)
a) Capital	-	-
b) Recurring	0.53	0.22
Total	0.53	0.22
R&D expenditure as a % of total turnover	0.01	0.01

C. Foreign Exchange Earnings and Outgo:

Sr. No.	Description	2022-23 (₹ in Crore)	2021-22 (₹ in Crore)
i.	Foreign Exchange Earnings	420.99	242.79
ii.	CIF value of imports	1,676.89	1,648.48
iii.	Expenditure in Foreign Currency	8.55	4.06

Annexure – 8

Annexure to the Director's Report

Salient features of Financial Statements of Subsidiaries / Associate Companies / Joint Ventures

Form AOC-I

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

(Rs. In crore)

Sr. No	Description	Indian Subsidiaries	Foreign Subsidiary
		Mukand Sumi Metal Processing Limited*	Mukand International FZE**
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1-4-2022 to 31-03-2023	1-4-2022 to 31-03-2023
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries	-	-
3	Share Capital	27.30	-
4	Reserves and Surplus	53.68	-
5	Total Assets	187.05	-
6	Total Liabilities	106.07	-
7	Investments	-	-
8	Turnover #	603.37	-
9	Profit/(Loss) before taxation #	(18.81)	(0.19)
10	Provision for Taxation #	(5.80)	-
11	Profit after taxation #	(13.01)	(0.19)
12	Proposed Dividend / Dividend paid	-	-
13	% of shareholding	100.00	-

* In case of foreign subsidiary, translated at average Exchange Rate of USD 1 = 79.57

Notes:

1. Names of Subsidiaries which are yet to commence operations – Nil
2. * Mukand Sumi Metal Processing Ltd a joint venture entity till September 29, 2022, thereafter it is wholly owned subsidiary.
3. ** During the FY 22-23, Mukand International FZE was liquidated and the repatriation proceeds were received on September 19, 2022. Jebel Ali Freezone Authority vide its letter dated December 26, 2022 confirmed the clearance of all cessation formalities.

Above illustrated Profit and Loss figures are for full year i.e FY 2022-23.

Part "B":

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

Name of Associates/Joint Ventures		Bombay Forgings Ltd (BFL)	Stainless India Ltd (SIL)	Hospet Steels Ltd (HSL)
		Associate	Associate	JV
1.	Latest Audited Balance Sheet date	31.03.2022	31.03.2022	31.03.2023
2.	Shares of Associates/Joint Ventures held by the Company on the year end			
	No.	39,800	66,78,600	97,504
	Amount of Investment in Associates/Joint Ventures - Rs. In Cr	Nil*	Nil*	Nil*
	Extent of Holding %	33.17	48.30	39.00
3.	Description of how there is significant influence.	Extent of share holding	Extent of share holding	Extent of share holding
4.	Reason why the associate/joint venture is not consolidated	-	-	-
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	Nil*	Nil*	Nil*
6.	Profit/Loss for the year	-	-	-
i.	Considered in Consolidation	-	-	-
ii.	Not Considered in Consolidation	-	-	-
	'* As provision for diminution in value of investments has been considered while consolidating the financial statements.			
	'1. Names of associates or joint ventures which are yet to commence operations - Nil.			
	2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL			

Report on performance and financial position of each subsidiary, joint ventures / associates

1. Mukand Sumi Metal Processing Limited (MSMPL)

MSMPL is a joint venture with Sumitomo Corporation, Japan to carry on the business of cold finished bars and wires. During the year under review, 1,33,77,000 shares of MSMPL were acquired from Sumitomo Corporation, making it wholly owned subsidiary from September 30, 2022. Revenue from operations is Rs. 603.37 crore as compared to Rs. 491.85 crore (Restated) in the previous year. Loss after tax is Rs.13.01 crore as compared to Rs. 3.83 crore (Restated) in the previous year.

2. Mukand International FZE (MIFZE)

During the FY 22-23, MIFZE was liquidated and the repatriation proceeds amounting Rs.0.88 crore were received on September 19, 2022. Jebel Ali Freezone Authority vide its letter dated December 26, 2022 confirmed the clearance of all cessation formalities.

3. Hospet Steels Ltd (HSL)

HSL is an outcome of a strategical alliance between Kalyani Steels Limited and Mukand Ltd to manage and operate the composite manufacturing facility at Ginigera, Karnataka. Actual expenses incurred by HSL for carrying out its objectives are reimbursed by alliance constituents. In view of the same, no service charges are recovered by HSL. During the year, it claimed reimbursement of Rs.153.13 crore from the constituents and its profit/(loss) for the year after tax was Rs. NIL as against Rs. NIL in the previous year.

On Behalf of the Board of Directors,

Niraj Bajaj	**Dhanesh K Goradia**	**Rajendra Sawant**
Chairman & Managing Director	Chief Financial Officer	Company Secretary

Mumbai, May 16, 2023

Annexure-9

Annexure to the Directors' Report

Disclosure of Managerial Remuneration under Section 197 of Companies Act, 2013 read with Rule 5(1) and (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1.1 The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year ending 31.03.2023 and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Name & Designation	Ratio of remuneration of Directors with respect to median remuneration of employees	Percentage increase in remuneration over last Financial Year
Managing Directors:		
Niraj Bajaj Chairman & Managing Director	17.90:1	0
Whole-time Director:		
Arvind M Kulkarni Director & President (appointed as Whole-time Director with effect from June 28, 2022)	16.63:1	22%#
Key Management Personnel:		
Umesh V. Joshi, Chief Financial Officer (upto May 31, 2022)	N.A.	128%*
K.J. Mallya, Company Secretary (upto April 30, 2022)	N.A.	26%*
Dhanesh K Goradia Chief Financial Officer (w.e.f. June 01, 2022)	N.A.	N.A**
Rajendra Sawant, Company Secretary (w.e.f. May 17, 2022)	N.A.	N.A**

. * Includes Gratuity and Leave encashment.
** Since appointed during the year comparative remuneration for whole year is not feasible.
# Includes Remuneration in capacity of President as well.

1.2 The percentage increase in the median remuneration of employees in the Financial Year:

The percentage increase in the median remuneration of employees in the Financial Year is 4%.

1.3 The number of permanent employees on the rolls of the Company as on March 31, 2023 - 1,607.

1.4 The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 23.95% and the percentage increase in the managerial remuneration was at 32% .
- The Company's total revenue was Rs. 6,203.47 crore for the year under review as compared to Rs. 4,676.02 crores in the previous year. Profit after tax was at Rs. 185.48 crore as compared to Rs. 91.62 crore for the previous year.

1.5 The key parameters for any variable component of remuneration availed by the directors:

- There is no variable component of remuneration payable to the Directors.

1.6 Affirmation that the remuneration is as per the remuneration policy of the company:

- It is hereby affirmed that the remuneration to Managerial personnel is as per the Remuneration Policy of the Company.

1.7 Details of top 10 or such employees in terms of remuneration drawn during the year, where employed throughout the financial year, in receipt of remuneration for the year which, in the aggregate, was not less that Rs. 1,02,00,000/- and where employed for any part of the year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

Sr. No.	Employee Name	Designation	Educational Qualifications	Age	Experience in years	Gross Remuneration in F.Y. 2022-23 (Rs. In crore)	Previous Employment & Designation
(A)	**Employed through-out the year**						
1	Niraj Bajaj	Chairman & Managing Director	B.Com., M.B.A. (Harvard Business School)	68	42	1.28	Executive Trainee - Bajaj Auto Limited
2	Arvind Madhav Kulkarni	President & Director	B.Tech from IIT, Kharagpur	71	48	1.19	Management Trainee – Mukand Limited
(B)	**Employed for part of the year**						
1	Shashibhushan Upadhyay*	President	BE (Metallurgy)	52	30	0.16	Vice President & Resident Director - Jindal Stainless Limited

* w.e.f. February 13, 2023

Except for the above, none of the employees, employed throughout the year were in receipt of remuneration of more than Rs.1.02 crore per annum and employed for part of the year, were in receipt of remuneration of not more than Rs.8.50 lacs per month.

The employees mentioned above have/had permanent contracts with the company.

Directors are not related to each other.

Apart from the above, none of the employees are neither relatives of any directors of the Company, nor hold 2% or more share of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director

Mumbai, May 16, 2023.

Annexure - 10

Annexure to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

(PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 & RULE 9 OF THE COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014)

To,
The Members,
MUKAND LIMITED
Bajaj Bhavan, 226,
Jamnalal Bajaj Marg,
Nariman Point,
Mumbai - 400021.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company for the period under review)

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021; (not applicable to the Company for the period under review)

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021.; (not applicable to the Company for the period under review)

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company for the period under review)

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company for the period under review)

j) Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

OTHER APPLICABLE LAWS:

i. The Legal Metrology Act, 2009

ii. The Environment (Protection) Act, 1986 and the rules, notifications issued thereunder

iii. The Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975

iv. The Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder

v. Hazardous Wastes (Management & Handling) Rules, 2008

vi. Factories Act, 1948 and allied State Laws

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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 decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minute book, and there was no dissenting members' view in any of the meetings.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1) National Company Law Tribunal, Mumbai Bench, vide its order dated June 30, 2022, sanctioned the Scheme of Arrangement amongst Mukand Sumi Metal Processing Limited (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL) and their respective shareholders and creditors. Pursuant to the said Scheme of Arrangement, the Alloy Steel Business of MSMPL is transferred to MSSSL, and MSSSL in consideration has allotted its equity shares to shareholders of MSMPL in ratio of 53:287 fully paid up equity shares of ₹10 each.

2) The Board of directors in its meeting held on August 10, 2022, has approved the purchase of 1,33,77,000 equity shares (constituting 49% of equity share capital) of Mukand Sumi Metal Processing Ltd ("MSMPL") from Sumitomo Corporation, Japan ("SC"/"Seller") for a consideration not more than ₹49.38 crore.

   Post purchase, the company's shareholding in MSMPL increased from 51% (Fifty One Percent) to 100% (One Hundred Percent) and eventually MSMPL became the wholly owned subsidiary of the Company, w.e.f. September 30, 2022.

FOR ANANT B KHAMANKAR & CO.
COMPANY SECRETARIES

ANANT B KHAMANKAR
PROPRIETOR
FCS No. - 3198 | CP No. - 1860
UDIN: F003198E000180056

DATE: April 24, 2023
PLACE: Mumbai

Annexure -11

Annexure to the Directors' Report

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 & RULE 9 OF THE COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014]

To,
The Members,
MUKAND SUMI METAL PROCESSING LIMITED
Bajaj Bhavan, 3rd Floor,
Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai - 400 021
Maharashtra, India.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable to the Company;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **are not applicable to Mukand Sumi Metal Processing Limited as it is an unlisted public company:**

   1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   4. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   5. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
   7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
   8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
   9. The Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015;

Vi. Other applicable laws:

   a) The Factories Act, 1948;

   b) Industries (Development & Regulation) Act, 1951;

   c) Labour Laws applicable in the State of Maharashtra;

   d) Acts prescribed under prevention and control of pollution;

e) Acts prescribed under environmental protection;

f) Trade Marks Act, 1999 & Copy right Act, 1957;

g) Acts as prescribed under Shop and Establishment Act of various local authorities

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with the timeline stipulated under the Companies Act, 2013.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minute book, while the dissenting members' views, if any, are captured and recorded as a part of the minutes.

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

We further report that during the period under audit, the following specific events/actions have major bearing on the Company's affairs have taken place in pursuance of the above referred laws, rules, regulations and standards:

1. The Board of Directors in its meeting held on August 9, 2022, pursuant to Share Purchase Agreement executed between Mukand Sumi Metal Processing Limited (MSMPL), Mukand Limited (ML) and Sumitomo Corporation, Japan (SCJ) have approved transfer of 1,33,77,000 equity shares held in the Company (constituting 49% of equity share capital) by Sumitomo Corporation, Japan (Sumitomo) to Mukand Limited (ML) for a consideration not more than ₹49.38 Crore.

   Post purchase, Mukand Sumi Metal Processing Limited (MSMPL) became the wholly owned subsidiary of the Mukand Limited w.e.f. September 30, 2022.

2. National Company Law Tribunal, Mumbai Bench, vide its order dated June 30, 2022, sanctioned the Scheme of Arrangement amongst Mukand Sumi Metal Processing Limited (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL) and their respective shareholders and creditors. Pursuant to the said Scheme of Arrangement, the Alloy Steel Business of MSMPL is transferred to MSSSL, and MSSSL in consideration has allotted its equity shares to shareholders of MSMPL in ratio of 53:287 fully paid up equity shares of ₹10 each.

FOR ANANT B KHAMANKAR & CO.

COMPANY SECRETARIES

ANANT B. KHAMANKAR
PROPRIETOR
FCS No. – 3198
CP No. – 1860
UDIN: F003198E000199305

DATE : April 26, 2023
PLACE : Mumbai

Annexure to Secretarial Auditors' Report

MUKAND SUMI METAL PROCESSING LIMITED

Bajaj Bhavan, 3rd Floor, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai - 400 021
Maharashtra, India.

Our Secretarial Audit Report for the Financial Year ended March 31, 2023, of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to the secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

FOR ANANT B KHAMANKAR & CO.

COMPANY SECRETARIES

ANANT B. KHAMANKAR
PROPRIETOR
FCS No. – 3198
CP No. – 1860

DATE : April 26, 2023
PLACE : Mumbai

Independent Auditor's Report

To the Members of Mukand Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Mukand Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and 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 opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the standalone Ind AS financial statements:

> Note 49 to the standalone Ind AS financial statements which describes the accounting for the Scheme of Amalgamation interalia between the Company and Mukand Global Finance Limited ("MGFL"), a wholly owned subsidiary of the Company. The Scheme has been approved by the National Company Law Tribunal ("NCLT") vide its order dated April 29, 2022 and a certified copy of the order has been filed by the Company with the Registrar of Companies, Mumbai Maharashtra, on May 31, 2022. Though the appointed date as per the NCLT approved Scheme is April 01, 2019, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts relating to the year 2021-2022 includes the impact of the business combination and the amounts for the corresponding financial year presented have been restated by the Company after recognizing the effect of the amalgamation.
>
> Further, in terms of the aforesaid approved Scheme of Amalgamation, Mukand Engineers Limited (MEL), an Associate, also stands amalgamated with the Company from the appointed date April 01, 2019 which is also acquisition date. In terms of the accounting treatment as approved by NCLT, the Company has partially adjusted difference arising between the consideration paid and aggregate of fair value of net assets taken over against balance of the Securities Premium arising in the books of the Company pursuant to the Scheme. This accounting treatment although is different from that prescribed under the Ind AS 103, is in conformity with the accounting principles generally accepted in India, as the same has been approved by the NCLT.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the Key Audit Matter:
1. Revenue recognition (Refer Note 26 of the standalone financial statements) The Company recognizes revenue from sale of goods when control over the goods is transferred to the customer. The terms of sales arrangements, including the timing of transfer of control delivery specifications, creates complexity and judgment in determining timing of revenue recognition. The actual point in time when revenue is recognized varies depending on the terms and conditions of the sale contracts entered into with customers. There exist a risk that revenue is recognised during the cut off period though the control may not have been passed to the customers. The Company generates part of its revenue from long term construction / project related activity and contracts for supply / commissioning of plant and equipment which is accounted under the percentage of completion method ("POC"), which is the proportion of cost of work performed to-date, to the total estimated contract costs. Determination of revenue under POC requires significant judgements and estimates in particular with respect to estimation of the cost to complete the projects. Due to estimates, judgements and complexity involved in application of the revenue recognition standards, we have considered this matter as a key audit matter.	We have performed the following procedures among others: • Assessed the company's accounting policies relating to revenue recognition by comparing the same with applicable accounting standard. • Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete the project including the review and approval of estimated project cost. • Verified the contracts on test check basis entered by the Company for the consideration and relevant terms and conditions relating to variations to the cost. • Verified original invoices, purchase orders, receipts, etc. for the actual costs incurred up to the yearend date on test check basis. • Verified that revenue has been recognised as per the agreed terms and when the conditions for revenue recognitions are satisfied. • Discussed the status of the project, evaluated the reasonableness of the estimates of the cost to be incurred to complete the projects, verified the revision in total cost during the year and obtained the reasons for such revision. • Assessed the adequacy of the disclosures made in respect of revenue from sale of goods and the undergoing engineering projects of the Company.
Key audit matter	**How our audit addressed the Key Audit Matter:**
2. Accounting for the Scheme of Amalgamation: (Refer Note 49 of the standalone financial statements) The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated April 29, 2022, has approved the Scheme of Amalgamation of Adore Traders & Realtors Private Limited ("Adore") with the parent Mukand Global Finance Limited ("MGFL") followed by the amalgamation of MGFL and Mukand Engineers Limited ("MEL") with the Company. The Scheme is made effective from the appointed date April 01, 2019. Certified copy of the NCLT order has been filed with the Registrar of Companies, Mumbai, on May 31, 2022. Amalgamation with MGFL, being under common control, has been accounted by the Company under pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. Amalgamation with MEL, an associate of the Company, has been accounted by the Company under acquisition method in accordance with Ind AS 103. We considered the above as a key audit matter as this is a significant non routine transaction during the year and as it involves significant amounts including exercise of judgement and interpretation of the relevant accounting standards and applicable tax and other statues / regulations.	We have performed the following procedures among others: • Understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of both the business combination. • Read and assessed the provisions of the Scheme and the NCLT order submitted with ROC. • Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme. • Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance. • Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same. • Traced the assets, liabilities, tax losses of amalgamated entities from the audited special purpose financial statements received from the other auditors. • Verified the Purchase Price Allocation study report issued by an independent firm of Chartered Accountant to ensure that assets and liabilities of MEL are recorded as per the fair value given in the PPA report. • Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements.

Other Information

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

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS 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 and Those Charged with Governance for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 this standalone Ind AS 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 Ind AS 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 standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

(2) As required by section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 on Contingent Liabilities to the standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except minor delays as disclosed below:

Sr. No.	Nature of Dues	Amount Transferred (in Rs.)	Last Date of Transfer	Actual Date of Transfer
1	Public Deposits	Rs. 80,000	03-02-2023	07-02-2023
2	Public Deposits	Rs. 35,000	02-07-2022	07-07-2022

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or company(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or company(ies), 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;

c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in the standalone Ind AS financial statements:

a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Act.

b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 01, 2023, reporting under this clause is not applicable.

For DHC & Co

Chartered Accountants

ICAI Firm Registration No.103525W

Atul Paliwal

Partner

Membership No. 401969

UDIN: 23401969BGYJDU4085

Place : Jaipur

Date : May 16, 2023

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **Mukand Limited** ("the Company") on the standalone Ind AS financial statements for the year ended March 31, 2023]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report 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 Intangible Assets.

(b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee), disclosed in the standalone Ind AS financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

(e) No proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory (excluding material in transit) has been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification carried out during the year.

(b) The Company has been sanctioned unsecured working capital limits in excess of five crore rupees during the year, in aggregate from banks and/or financial institutions. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.

(iii) (a) During the year, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to the following entities

(Rs. in crores)

Sr. No.	Particulars		Loans
1	Aggregate amount granted / provided during the year		
	a	Other related party	-
	b	Other party (including renewal of loans)	55.16
2	Balance outstanding as at March 31, 2023 in respect of above cases		
	a	Other related party	-
	b	Other party	53.91

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advance in the nature of loan and guarantees provided by the Company during the year are not prejudicial to the interest of the Company, except the following:

Sr. No.	Name of the entity	Nature	Amount Outstanding including interest (Rs. in crores)	Remarks
1	Indian Thermal Power Private Limited	Loan Given	13.67	Interest for the current year waived off as ECL provision is made
2	Vidyavihar Containers Limited	Loan Given	9.93	Interest for the current year waived off as ECL provision is made

(c) The schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated and the repayments or receipts during the year are regular as stipulated, except in the following instances where delay has been more than a year:

Name of the Entity	Nature	Amount (Rs. in crores)	Due Date
A. M. Realty Private Limited	Interest	0.27	Various
Aasman Trading Private Limited	Interest	1.18	Various
Parinee Realty Private Limited	Interest	0.04	Various
Rajesh Estate & Nirman Limited	Interest	0.29	Various
Vijay Group Housing Private Limited	Interest	0.16	Various
Indian Thermal Power Private Limited	Interest	0.18	Various
Vidyavihar Containers Limited	Interest	1.74	Various
Indian Thermal Power Private Limited	Principal	13.49	Various
Vidyavihar Containers Limited	Principal	8.19	Various

(d) In respect of the aforesaid loans and advances in the nature of loans, the details of amount which is overdue for more than ninety days are as below:

No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue
7	Rs. 21.68 crores	Rs. 3.86 crores	Rs. 25.54 crores

(e) In respect of following loans which were granted and had fallen due during the year, were renewed. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan:

Name of the Parties	Aggregate amount of dues renewed (Rs. in crores)	% of the aggregate to the total loans granted (including renewed) during the year
A. M. Realty Private Limited	0.38	0.69%
Aasman Trading Private Limited	0.44	0.80%
Parinee Realty Private Limited	4.55	8.25%
Rajhans Nutriments Private Limited	14.89	27.00%
Konark Herbal & Healthcare Private Limited	14.75	26.74%

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, except for the details given below:

Nature of non-compliance	Name of Company	Amount Involved	Balance as at March 31, 2023	Remarks
Loan given at rate of interest lower than prescribed	1) Indian Thermal Power Private Limited 2) Vidyavihar Containers Limited	Rs. 13.67 crores Rs. 9.93 crores	Rs. 13.67 crores Rs. 9.93 crores	These loans were given by Adore & MGFL which are now merged with the Company. Further, Interest has been waived as ECL provision has been created.

(v) In our opinion, the Company has complied with the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and the rules made there under with regard to the acceptance of deposits or amounts which are deemed to be deposits. Further, as informed, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits or amounts which are deemed to be deposits.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 01, 2017, these statutory dues have been subsumed into Goods and Services Tax.

The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, custom duty, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	0.594	1996-97	Assessing Officer
Income Tax Act	Income Tax	1.829	2013-14	Assessing Officer
Income Tax Act	Income Tax	0.050	2015-16	Assessing Officer
Income Tax Act	Income Tax	0.067	2016-17	Assessing Officer
Income Tax Act	Income Tax	1.941	2017-18	Assessing Officer
Sales Tax	Local Sales Tax, Central Sales Tax	0.018	1988-89,1989-90	Tribunal
Sales Tax	Local Sales Tax, Central Sales Tax	0.021	1989-90, 1990-91, 1991-92, 1996-97, 1998-99	Deputy Commissioner Appeal
Sales Tax	Local Sales Tax, Central Sales Tax	0.009	2012-13	Commercial Tax Tribunal
Sales Tax	Sales Tax	0.135*	2001-02, 2003-04	High Court – UP
Sales Tax	Sales Tax	3.337*	2001-02, 2002-03, 2003-04, 2004-05, 2011-12, 2012-13, 2013-14, 2014-15, 2016-17	Asst. Commissioner (Sales Tax)
Sales Tax	Sales Tax	1.017*	2001-02, 2002-03, 2004-05,	Tribunal
Trade Tax and Entry Tax	UP Trade Tax and Entry Tax	0.074*	2001-02	High Court
Entry Tax	Entry Tax	0.109	2002-03	Additional Commissioner (Appeal)
UP Trade Tax	UP Trade Tax	0.029*	2007-08	Additional Commissioner (Appeal)
UP VAT	UP Trade Tax	0.031*	2008-09	Additional Commissioner (Appeal)
UP VAT	UP Trade Tax	0.055*	2009-10	Additional Commissioner (Appeal)
UP VAT (CST)	UP Trade Tax	0.01	2012-13	Tribunal

* Net of amount deposited i.e. demand has been paid under protest.

(viii) We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(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) The Company has prima facie utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

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

(e) On an overall examination of the standalone Ind AS 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, associates or joint ventures as defined under the Act.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as defined under the Act.

(x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

(b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.

(c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

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

(b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.

(c) As informed by the Company, the Group to which the Company belongs has Seventeen (17) CIC as part of the Group (including the CICs exempt from registration and CICs not registered).

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the 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 date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For DHC & Co.

Chartered Accountants

ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969

UDIN: 23401969BGYJDU4085

Place: Jaipur

Date: May 16, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Mukand Limited on the standalone Ind AS financial statements for the year ended March 31, 2023]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mukand Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For DHC & Co.

Chartered Accountants

ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969

UDIN: 23401969BGYJDU4085

Place: Jaipur

Date: May 16, 2023

Balance Sheet as at 31st March, 2023

Particulars	Note No.		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore Restated*
I ASSETS				
(A) Non-current Assets				
(1) Property Plant & Equipment, Capital Work-in-Progress, Intangible Assets & Right of Use Assets	3			
(a) Property Plant & Equipment		445.13		464.07
(b) Capital Work-In-Progress		29.71		32.34
(c) Right of Use Assets		-		15.12
(d) Intangible Assets		2.28		4.67
			477.12	516.20
(2) Financial Assets				
(a) Investments	4.A	117.04		187.02
(b) Other Financial Assets	5	18.22		26.93
			135.26	213.95
(3) Deferred Tax Assets (net)	6		73.40	107.67
(4) Income Tax Assets	7		43.28	42.49
(5) Other Non-Current Assets	8		33.66	52.24
Total (A)			762.72	932.55
(B) Current Assets				
(1) Inventories	9		1,446.52	1,460.88
(2) Financial Assets				
(a) Investments	4.B	157.59		1.06
(b) Trade Receivables	10	517.57		492.15
(c) Cash & Cash Equivalents and Other Bank Balances	11			
(i) Cash & Cash Equivalents	11.1	36.58		41.32
(ii) Bank Balances other than (i) above	11.2	2.38		167.46
		38.96		208.78
(d) Loans	12	50.57		52.51
(e) Other Financial Assets	13	78.93		144.39
Total (2)			843.62	898.89
(3) Other Current Assets	14		110.95	198.27
Total (B)			2,401.09	2,558.04
(C) Assets Held for Sale	15		18.81	107.85
Total - Assets			3,182.62	3,598.44
II EQUITY AND LIABILITIES				
(A) Equity				
(a) Share Capital	16	144.51		144.51
(b) Other Equity	17	736.97		595.96
(B) Liabilities			881.48	740.47
(1) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	1,448.39		885.70
(ii) Other Financial Liabilities	19	0.25		0.25
Total (a)			1,448.64	885.95
(b) Provisions	20		63.14	40.71
Total (1)			1,511.78	926.66
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	56.23		1,150.58
(ii) Trade payables				
Dues to Micro Enterprises and Small Enterprises		29.13		13.11
Other than to Micro Enterprises and Small Enterprises		511.47		495.28
	22	540.60		508.39
(iii) Other Financial Liabilities	23	19.90		41.26
Total (a)			616.73	1,700.23
(b) Other Current Liabilities	24		164.45	219.60
(c) Provisions	25		8.18	11.48
Total (2)			789.36	1,931.31
Total Equity & Liabilities			3,182.62	3,598.44
Statement of Significant Accounting Policies adopted by the Company and Notes forming part of the Financial Statements	1 to 50			
*Refer Note 49 for Restatement on account of amalgamation				

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI FR No. 103525W

Atul Paliwal
Partner
Membership No. 401969

Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Mumbai, May 16, 2023

Statement of Profit and Loss for the Year Ended 31st March, 2023

	Particulars	Note No.		2022-23 Rs. in crore	2021-22 Rs. in crore Restated*
I	**Revenue from Operations**	26		**5,618.36**	4,642.93
II	**Other Income**	27		**585.11**	33.09
III	**Total Income (I) + (II)**			**6,203.47**	4,676.02
IV	**Expenses**				
	(a) Cost of Materials Consumed	28		**3,995.97**	3,105.77
	(b) Purchase of Stock in Trade			**1.07**	2.47
	(c) Changes In Inventories of Finished Goods and Work-In-Progress / Contracts in Progress	29		**(31.22)**	(206.92)
	(d) Employee Benefits Expense	30		**204.57**	201.57
	(e) Finance Costs	31		**175.17**	161.24
	(f) Depreciation and Amortization Expense			**51.19**	45.35
	(g) Other Expenses	32		**1,614.24**	1,307.16
	(h) Expenditure Transferred to Capital Accounts / Capital Work-in-Progress			**(1.79)**	(6.32)
	Total Expenses			**6,009.20**	4,610.32
V	**Profit before Tax (III) - (IV)**			**194.27**	65.70
VI	**Tax Expense:**	33			
	(a) Excess / (Short) Provision of Tax of earlier years			**(3.99)**	-
	(b) Deferred Tax (Charge) / Credit			**(4.80)**	25.92
VII	**Profit for the year**			**185.48**	91.62
VIII	**Other Comprehensive Income (net of tax)**	34			
	Items that will not be reclassified to Profit or loss		**6.87**		(3.36)
	Deferred tax		**(1.13)**		0.80
				5.74	(2.56)
IX	**Total Comprehensive Income for the year**			**191.22**	89.06
	Basic and diluted earnings per share (in Rs.)	35		**12.84**	6.34
	Statement of Significant Accounting Policies adopted by the Company and Notes forming part of the Financial Statements	1 to 50			
	* Refer Note 49 for Restatement on account of amalgamation				

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI FR No. 103525W

Atul Paliwal
Partner
Membership No. 401969

Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Mumbai, May 16, 2023

Statement of Changes in Equity

A. Equity Share Capital

Rs. in crore

	31-Mar-23	31-Mar-22 Restated*
As at end of the year	**144.51**	144.51
As at beginning of the year	**144.51**	144.51

There are no changes in Equity Share Capital due to prior period errors.

B. Other Equity

Rs. in crore

			Capital Reserve#	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement of defined benefit obligations	Total
As at		**31-Mar-22**		**3.00**	**100.22**	**238.56**	**248.51**	**3.72**	**1.95**	**595.96**
1	Inter Other Equity Movement		-	-	-	-	5.33	(5.33)	-	-
2	Equity Dividends		-	-	-	-	(21.67)	-	-	(21.67)
3	Other Adjustments		-	-	-	-	(28.55)	-	-	(28.55)
4	Total Comprehensive Income for the year		-	-	-	-	185.48	6.00	(0.25)	191.23
As at		**31-Mar-23**		**3.00**	**100.22**	**238.56**	**389.10**	**4.39**	**1.70**	**736.97**
As at		31-Mar-21		3.00	100.22	238.56	(125.00)	300.28	3.75	520.81
1	Inter Other Equity Movement		-	-	-	-	295.81	(295.81)	-	-
2	Equity Dividends		-	-	-	-	(14.14)	-	-	(14.14)
3	Other Adjustments		-	-	-	-	0.22	-	-	0.22
4	Total Comprehensive Income for the year		-	-	-	-	91.62	(0.75)	(1.80)	89.07
As at Restated*		31-Mar-22		3.00	100.22	238.56	248.51	3.72	1.95	595.96

Capital Reserve is Rs 47,439/- (Previous year Rs 47,439/-)

There are no changes in Other Equity due to prior period errors
*Refer Note 49 for Restatement on account of amalgamation

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI FR No. 103525W

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Atul Paliwal
Partner
Membership No. 401969

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Jaipur, May 16, 2023

Mumbai, May 16, 2023

Cash Flow Statement For The Year Ended 31st March, 2023

Rs. in crore

		2022-23	2022-23	2021-22	2021-22
				Restated*	
A	**Cash Flow arising from Operating Activities**				
	Profit before Tax & Exceptional items		**194.27**		65.70
	Add back :				
	(1) Depreciation	**51.19**		45.35	
	(2) Other Non-cash Expenditure/(Income) -(net)	**96.71**		(2.90)	
	(3) Interest / Lease Charges (net)	**162.81**		152.18	
	(4) Actuarial Gain on defined benefit obligations	**(0.35)**		(2.40)	
			310.36		191.23
			504.63		257.93
	Deduct :				
	(1) Investment Income	**0.02**		0.01	
	(2) Surplus on sale of assets -(net)	**541.14**		22.01	
			541.16		22.02
	Operating Profit before Working Capital changes		**(36.53)**		235.91
	Adjustments for Working Capital Changes				
	(1) (Increase)/Decrease in Trade Receivables	**(51.22)**		27.86	
	(2) (Increase)/Decrease in Other Financial Assets Non Current	**8.71**		(1.57)	
	(3) (Increase)/Decrease in Other Non Current Assets	**18.57**		(1.97)	
	(4) (Increase)/Decrease in Short Term Loans	**(15.52)**		31.97	
	(5) (Increase)/Decrease in Other Financial Assets Current	**46.00**		24.13	
	(6) (Increase)/Decrease in Other Current Assets	**47.32**		(63.31)	
	(7) (Increase)/Decrease in Unpaid Dividend, Margin Money & Deposits	**165.08**		(151.13)	
	(8) (Increase)/Decrease in Inventories	**14.36**		(325.79)	
	(9) Increase/(Decrease) in Trade Payables	**32.34**		69.05	
	(10) Increase/(Decrease) in Other Financial Liabilities Current	**4.65**		(14.45)	
	(11) Increase/(Decrease) in Other Current Liabilities	**(55.13)**		77.27	
	Net Working Capital changes		**215.16**		(327.94)
	Cash Flow from Operations		**178.63**		(92.03)
	Less : Direct taxes paid (net of refunds)		**(4.78)**		(12.89)
			173.85		(104.92)
	Net Cash Inflow/(Outflow) from Operating Activities		**173.85**		(104.92)
B	**Cash Flow arising from Investing Activities**				
	Inflow				
	(1) Sale of Fixed Assets	**683.42**		25.00	
	(2) Dividends received	**0.02**		0.01	
	(3) Sale of Investments	**1.97**		507.62	
			685.41		532.63
	Deduct Outflow				
	(1) Acquisition of Fixed Assets	**64.59**		194.63	
	(2) Acquisition of Investments	**63.12**		-	
			127.71		194.63
	Net Cash Inflow/(Outflow) from Investing Activities		**557.70**		338.00

Cash Flow Statement For The Year Ended 31st March, 2023

Rs. in crore

		2022-23	2022-23	2021-22	2021-22
				Restated*	
C	**Cash Flow arising from Financing Activities**				
	Inflow				
	(1) Proceeds from issue of Preference Share Capital	-		3.38	
			-		3.38
	Deduct Outflow				
	(1) Decrease in Working Capital Loans from Banks - (net)	-		5.67	
	(2) Decrease in Unsecured Loans - (net)	531.89		42.83	
	(3) Redemption of Preference Share Capital	-		3.38	
	(4) Dividends paid	21.59		14.11	
	(5) Interest / Lease charges - (net)	182.81		149.82	
			736.29		215.81
	Net Cash Inflow / (Outflow) from Financing Activities		(736.29)		(212.43)
	Net Increase / (Decrease) in Cash/Cash Equivalents		(4.74)		20.65
	Add : Balance at the beginning of the year		41.32		20.67
	Cash/Cash Equivalents at the close of the year (Refer Note 11.1)		36.58		41.32

Note : The above cash flow statement has been prepared under 'Indirect Method' as set out in Ind AS 7 - Statement of Cash Flows

*Refer Note 49 for Restatement on account of amalgamation

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI FR No. 103525W

Atul Paliwal
Partner
Membership No. 401969

Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Mumbai, May 16, 2023

Notes Forming Part of Standalone Financial Statements

(1) BACKGROUND OF THE COMPANY

Mukand Limited ('the Company') is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of special alloy steel / stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment, other industrial machinery, comprehensive engineering services and construction/erection services. The registered office of the Company is located at Bajaj Bhawan, Jamnalal Bajaj Marg 226, Nariman Point, Mumbai. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The standalone financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 16, 2023.

(2) SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

(a) Basis of preparation

(i) These financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i) Certain financial assets and liabilities that are measured at fair value

ii) Assets held for sale-measured at fair value less cost to sell

iii) Measurement of derivative financial instruments

iv) Defined benefit plans-plan assets measured at fair value

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to nearest crores upto two decimal, except when otherwise indicated.

The financial statements are presented in Indian Rupees (Rs.), which is Company's functional and presentation currency.

(ii) Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle i.e. 12 months;
- Held primarily for purpose of business;
- Expected to be realized 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 current when:

- It is expected to be settled in normal operating cycle i.e. 12 months;
- It is held primarily for purpose of business;
- 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.

(b) Property, Plant and Equipment (PPE)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non refundable taxes and duties after deducting trade discounts/rebates, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Notes Forming Part of Standalone Financial Statements (Contd.)

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment has been provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013 except for Continuous Process Plant where useful life is considered as 18 years as per technical evaluation. Further office equipments of ECD, the useful life has been estimated as 20 years (on a single shift basis) against 5 years as per schedule II of the Act, based on independent technical valuation. Depreciation commences when the assets are ready for their intended use. Depreciation in respect of assets used for long term engineering contracts is provided on the estimated useful life of the assets.

Assets costing less than Rs. 5,000/- are fully depreciated at the rate of 100% in the year of purchase.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and Losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(c) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

Intangible Assets under Implementation includes cost of such assets under installation / under development as at the balance sheet date.

Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Useful life of 3 years is considered for amortisation of intangible assets - Computer Software.

Gains and Losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily consist of leases for land, office premises and machinery. 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.

At the date of commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes 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 ROU 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 received. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the lease term. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

At the commencement date of the lease, the Company recognises lease liability measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Notes Forming Part of Standalone Financial Statements (Contd.)

Lease Liability and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases 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.

(e) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

Transaction costs relating to borrowings are considered under effective interest rate method.

(f) Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company classifies its financial assets in the following measurement categories:

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

* those to be measured at amortised cost.

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

Initial Recognition & Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortised cost
- Equity instruments at fair value (either through profit or loss or through other comprehensive income, if designated).

Notes Forming Part of Standalone Financial Statements (Contd.)

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) **Business Model Test:** The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) **Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) 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 EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following conditions are met:

a) **Business Model Test:** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument which does not meet the criteria for amortised cost or FVTOCI is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in the statement of profit and loss and presented net in the Statement of Profit and Loss within other gains or losses in the period in which it arises. Interest income from these debt instruments is included in other income.

Equity Instruments

For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Preference Instruments are stated at amortised costs.

Derecognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes Forming Part of Standalone Financial Statements (Contd.)

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(II) Equity & Financial Liabilities

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

(i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories:

- At amortised cost
- At fair value through profit or loss (FVTPL)

Financial liabilities at amortised cost

The Company classifies the following under amortised cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Lease Deposits
- Lease Liability

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liabilities at fair value through profit or loss

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition of financial liabilities

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another 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.

(III) Financial guarantees contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS109 and the amount recognised less cumulative amortisation.

Notes Forming Part of Standalone Financial Statements (Contd.)

(IV) Derivative financial instruments

Derivative financial instruments such as forward contracts are taken by the Company to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

(V) Offsetting of financial instruments

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) Fair value measurement

The Company measures financial instruments, such as, certain investments and 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost formulae used for determination of cost is 'First in First Out' for raw materials and 'Weighted Average Cost' for stores and spares.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.

(j) Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company's liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes Forming Part of Standalone Financial Statements (Contd.)

(k) Provisions and Contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as provision are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent Liabilities & Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(l) Employee Benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as superannuation scheme, provident fund.

Gratuity Obligations

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.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Notes Forming Part of Standalone Financial Statements (Contd.)

Remeasurement 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.

Defined Contribution plans

Defined Contribution Plans such as superannuation scheme, provident fund are charged to the statement of profit and loss as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

(m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

(n) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(p) Earnings Per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company.
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Statement of Profit and Loss.

The criteria for “held for sale” classification is regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

(r) Dividend distribution to equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.

Notes Forming Part of Standalone Financial Statements (Contd.)

(s) Foreign currencies

The financial statements are presented in Indian rupee (Rs.), which is Company's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

(t) Revenue Recognition

The Company mainly deals in manufacture of special alloy steel/ stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment, other industrial machinery, rendering of comprehensive engineering services and construction/erection.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which Company expects to receive in exchange for those products or services.

Revenue from sale of products and services is recognised at a time when the performance obligation is satisfied except Revenue from Engineering Contracts where in revenue is recognized over the time from the financial year in which the agreement to sell (containing salient terms of agreement to sell) is executed. The period over which revenue is recognised is based on entity's right to payment for performance completed.

In determining whether Company has right to payment, the Company shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

The revenue recognition of Engineering Contracts under progress requires forecasts to be made of total budgeted costs with the outcomes of underlying contracts, which further require assessments and judgements to be made on changes in scope of work and other payments to the extent they are probable and they are capable of being reliably measured. However, where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of Profit and Loss.

Revenue from Engineering Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenues in excess of invoicing are classified as contract assets (which is referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred to as unearned revenues). The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Engineering Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event, transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and Company has an enforceable right to payment for performance completed to date.

   In case of performance obligations, where any of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Export incentives

Export Incentives under various schemes are accounted in the year of export.

Interest Income

Interest income accrues on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established.

(u) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

Notes Forming Part of Standalone Financial Statements (Contd.)

(v) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

(w) Significant accounting estimates, judgements and assumptions

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

i. Useful lives of property, plant and equipment

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per management estimate for certain category of assets. Assumption also needs to be made, when Company assesses, whether an asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.
- Revenue from Engineering Contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

iii. Fair value measurement 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 appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iv. Defined benefit plan

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. Allowances for uncollected accounts receivables

Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

Notes Forming Part of Standalone Financial Statements (Contd.)

vi. Allowance for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management satisfies itself that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

vii. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Company as it is not possible to predict the outcome of pending matters with accuracy.

ix. Leases

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 several 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. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

x. Provision for income tax and deferred tax assets

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(x) i. Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

a Amendment to Ind AS 1 "Presentation of Financial Instruments"

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect his amendment to have any significant impact in its financial statements.

b Amendment to Ind AS 12 "Income Taxes"

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c Amendment to Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes Forming Part of Standalone Financial Statements (Contd.)

(3) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets

Rs. in crore

	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
Particulars	**As at 1-Apr-22**	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-23**	**As at 1-Apr-22**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-23**	**As at 31-Mar-23**
i) Property Plant & Equipment									
Freehold Land	75.33	8.00	27.70	55.63	-	-	-	-	55.63
Railway Siding	13.82	-	-	13.82	12.01	1.00	-	13.01	0.81
Buildings and Roads	186.50	7.49	14.16	179.83	114.20	4.69	3.80	115.09	64.74
Plant and Machinery	1,270.13	50.36	13.37	1,307.12	958.71	42.29	13.25	987.75	319.37
Furniture, Fixtures, etc.	4.85	0.83	0.22	5.46	3.65	0.21	0.15	3.71	1.75
Office Machinery	6.12	1.27	0.10	7.29	4.86	0.30	0.08	5.08	2.21
Vehicles	1.73	-	0.28	1.45	0.98	0.12	0.27	0.83	0.62
Total (i)	1,558.48	67.95	55.83	1,570.60	1,094.41	48.61	17.55	1,125.47	445.13
ii) Capital Work-in-Progress									29.71
iii) Right of use									
Leasehold Land (Refer Note No. 41 (III))	15.68	-	15.68	-	0.56	0.18	0.74	-	-
Total (iii)	15.68	-	15.68	-	0.56	0.18	0.74	-	-
iv) Intangible Assets									
Software	15.35	0.01	-	15.36	10.68	2.40	-	13.08	2.28
Goodwill	14.40	-	-	14.40	14.40	-	-	14.40	-
Total (iv)	29.75	0.01	-	29.76	25.08	2.40	-	27.48	2.28
Total (i) to (iv)	1,603.91	67.96	71.51	1,600.36	1,120.05	51.19	18.29	1,152.95	477.12

Notes Forming Part of Standalone Financial Statements (Contd.)

(3) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets

Rs. in crore

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 1-Apr-21	Additions/ Adjustments	Deductions/ Adjustments	As at 31-Mar-22	As at 1-Apr-21	For the year	Deductions/ Adjustments	As at 31-Mar-22	As at 31-Mar-22
i) Property Plant & Equipment									
Freehold Land	12.23	63.49	0.39	75.33	-	-	-	-	75.33
Railway Siding	13.82	-	-	13.82	11.01	1.00	-	12.01	1.81
Buildings and Roads	186.65	5.24	5.39	186.50	112.10	4.74	2.64	114.20	72.30
Plant and Machinery	1,257.89	14.57	2.33	1,270.13	924.16	36.42	1.87	958.71	311.42
Furniture, Fixtures, etc.	5.87	0.09	1.11	4.85	4.13	0.23	0.71	3.65	1.20
Office Machinery	6.52	0.20	0.60	6.12	5.07	0.18	0.39	4.86	1.26
Vehicles	5.31	0.10	3.68	1.73	3.60	0.21	2.83	0.98	0.75
Total (i)	1,488.29	83.69	13.50	1,558.48	1,060.07	42.78	8.44	1,094.41	464.07
ii) Capital Work-in-Progress									32.34
iii) Right of use									
Leasehold Land (Refer Note No. 41 (III))	15.68	-	-	15.68	0.37	0.19	-	0.56	15.12
Plant & Machinery	47.62	-	47.62	-	47.62	-	47.62	-	-
Total (iii)	63.30	-	47.62	15.68	47.99	0.19	47.62	0.56	15.12
iv) Intangible Assets									
Software	15.24	0.11	-	15.35	8.30	2.38	-	10.68	4.67
Goodwill	14.40	-	-	14.40	14.40	-	-	14.40	-
Total (iv)	29.64	0.11	-	29.75	22.70	2.38	-	25.08	4.67
Total (i) to (iv)	1,581.23	83.80	61.12	1,603.91	1,130.76	45.35	56.06	1,120.05	516.20

Notes Forming Part of Standalone Financial Statements (Contd.)

(3) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets

I) CWIP Ageing

a Ageing of CWIP as on 31st March 2023

Rs. in crore

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	15.29	0.65	2.82	0.15	18.91
Projects Temporarily suspended	-	-	-	10.80	10.80
Total	**15.29**	**0.65**	**2.82**	**10.95**	**29.71**

Rs. in crore

Particulars	
Projects which have exceeded their original timeline	4.83
Projects which have exceeded their original budget	-

b Details of Capital Work-in-Progress whose completion is overdue as compared to its original timeline as at 31st March 2023

Rs. in crore

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	4.33	0.50	-	-	4.83
Total - Projects in Progress	**4.33**	**0.50**	**-**	**-**	**4.83**

c Details of Capital Work-in-Progress which has exceeded its cost compared to its original budget as at 31st March 2023

There were no projects which exceeded their original budget as at March 31, 2023.

d Ageing of CWIP as on 31st March 2022

Rs. in crore

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	12.71	3.11	0.39	1.80	18.01
Projects Temporarily suspended	-	-	-	14.33	14.33
Total	12.71	3.11	0.39	16.13	32.34

Rs. in crore

Particulars	
Projects which have exceeded their original timeline	4.48
Projects which have exceeded their original budget	1.80

e Details of Capital Work-in-Progress whose completion is overdue as compared to its original timeline as at 31st March 2022

Rs. in crore

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	4.48	-	-	-	4.48
Total - Projects in Progress	4.48	-	-	-	4.48

Notes Forming Part of Standalone Financial Statements (Contd.)

f Details of Capital Work-in-Progress which has exceeded its cost compared to its original budget as at 31st March 2022

Rs. in crore

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	1.80	-	-	-	1.80
Total	1.80	-	-	-	1.80

II) Other Notes

(i) Property, Plant and Equipment are free from any encumberances, except PPE of engineering construction division.

(ii) Refer Note No. 37(b) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

(iii) Gross Block of Buildings as at March 31, 2023 includes value of offices, residential flats and garages in co-operative societies/proposed co-operative societies/association of apartment owners aggregating Rs. 0.03 crore at cost (March 31, 2022 - Rs. 0.03 crore [including cost of shares in co-operative societies Rs. 500 /- (March 31, 2022- Rs.500/-)].

(iv) Property Plant & Equipment include borrowing costs of Rs. 0.74 crore capitalised during the year (March 31, 2022 Rs. 0.42 crore), rate of capitalisation 8.76% (Previous Year 10.50%).

(v) Capital Work In Progress comprises of Property, Plant & Equipment under construction and pre-operative expenses & interest pending allocation.

(vi) The Company has not revalued any of its property, plant and equipment including right of use assets or intangible assets.

(vii) The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

(viii) All immovable properties are held in the name of the Company.

Notes Forming Part of Standalone Financial Statements (Contd.)

4.A NON-CURRENT INVESTMENTS		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
I Investments in Equity Instruments :			
A In Subsidaries (Unquoted) : [At FVTOCI]			
(i) Mukand Sumi Metal Processing Ltd			
2,73,00,000 Equity Shares of Rs.10/- each, fully paid up (Refer note a(iii) below)		**115.59**	-
Sub-total A		**115.59**	
B In Joint Ventures (Unquoted) : [At FVTPL]			
(i) Mukand Sumi Metal Processing Ltd			
13,923,000 Equity Shares of Rs.10/- each, fully paid up (Refer note a(iii) below)		**-**	185.59
(ii) Hospet Steels Ltd.			
97,504 Equity Shares of Rs. 10/- each, fully paid up		**0.10**	0.10
Sub-total B		**0.10**	185.69
C In Associates [At amortised cost] : Unquoted			
(i) Stainless India Ltd.	**13.68**		13.68
6,678,600 Equity Shares of Rs.10/-each, fully paid up			
Less : Provision for diminution in the value of investments	**(13.68)**		(13.68)
(ii) Bombay Forgings Ltd		**-**	-
39,800 Equity Shares of Rs. 66.67/- each, fully paid up	**0.20**		0.20
Less : Provision for diminution in the value of investments	**(0.20)**		
Sub Total C		**-**	0.20
D-1 In Others (Quoted) : [At FVTPL]			
(i) ICICI Bank			
9,625 Equity Shares of Rs. 2/- each, fully paid up;	**0.85**		0.70
(ii) Bajaj Holdings & Investment Ltd			
850 Equity Shares of Rs.10/- each, fully paid up;	**0.50**		0.43
Sub Total D-1		**1.35**	1.13
D-2 In Others (Unquoted) : [At FVTPL]			
(i) Credit Capital Finance Corpn. Ltd			
100 Equity Shares of Rs.10/- each,fully paid up (Rs 1,000/-) [Previous year (Rs. 1,000/-)]			
(ii) The Greater Bombay Co-operative Bank Ltd			
10 Equity Shares of Rs.25/-each, fully paid up (Rs. 250/-) [Previous year Rs. 250/-]			
(iii) NKGSB Co-operative Bank Ltd.			
100 Equity Shares of Rs.10/-each, fully paid up (Rs. 1,000/-); [Previous year Rs. 1,000/-]			
(iv) Mukand Audyogik Yantra Pvt. Ltd.			
1,901 Equity Shares of Rs 10/- each, fully paid up (Rs. 19,010/-) [Previous year Rs. 19,010/-]			
(v) Mukand Heavy Machinery Pvt. Ltd.			
1,901 Equity Shares of Rs 10/- each, fully paid up (Rs. 19,010/-) [Previous year Rs. 19,010/-]			
(vi) Vidyavihar Containers Ltd		**-**	
-- (6) Equity Shares of Rs.100/-each, fully paid up			
(vii) India Thermal Power Pvt. Ltd.			
7,153 Equity Shares of Rs.10/- each, fully paid up	**0.01**		0.01
Less : Provision for diminution in the value of investments	**(0.01)**		(0.01)
		-	-

Notes Forming Part of Standalone Financial Statements (Contd.)

4.A NON-CURRENT INVESTMENTS		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
(viii) Catalyst Finance Pvt. Ltd.			
8,500 Equity Shares of Rs. 10/- each, fully paid up	**0.09**		0.09
Less : Provision for diminution in the value of investments	**(0.09)**		(0.09)
		-	-
Sub-total D-2 - Others Rs 40,270/- (Previous year Rs. 40,270/-)			
Sub Total D		**1.35**	1.13
		117.04	187.02
II Investments in Preference Instruments [At amortised cost] :			
100 Preference Shares of Rs. 10/- each, fully paid up (Rs. 45,000/-) [Previous year Rs. 45,000/-] in Mukand Sumi Special Steel Ltd.			
		117.04	187.02
Book Value			
Quoted Investments		**1.35**	1.13
Unquoted Investments		**115.69**	185.89
		117.04	187.02
Market Value			
Quoted Investments		**1.35**	1.13

Note : Aggregate diminution in value of Investments Rs. 13.97 crore (31-Mar-22 - Rs. 13.77 crore)

4.B CURRENT INVESTMENTS	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
I Investments in Equity Instruments		
A In Subsidaries (Unquoted) : [At FVTOCI]		
(i) Mukand International FZE [Refer Note 41(II)(i)]		
-- (1) Ordinary Shares of AED 1/- million each fully paid up	**-**	1.06
B In Others (Unquoted) : [At FVTPL]		
(i) Mukand Sumi Special Steel Ltd [Refer Note a(iv) below]		
2,571,150 (--) Equity Shares of Rs.10/- each, fully paid up	**147.58**	-
II Investment in Mutual Funds :[At FVTPL]		
(i) HDFC Mutual Fund		
(HDFC Overnight Fund DP - Growth -Units- 30,066.938)	**10.01**	
	157.59	1.06

Notes:

(a) (i) The Company has opted to measure its non-current investments in equity shares in Subsidiary Companies at Fair value through Other Comprehensive Income (FVTOCI) while investments held in Joint Ventures are measured at Fair value through Profit or Loss (FVTPL).

(ii) Accordingly, other income and OCI for the year includes Rs.18.57 crore (gain net) and Rs. 7.22 crore (gain net) (2021-22 - Rs. 0.28 crore (gain net) and Rs. 0.96 crore (loss net)) respectively towards change in fair value of non-current investments.

(iii) During the year, the demerger of cold finished alloy steel bars and wires business from Mukand Sumi Metal Processing Ltd. (MSMPL) to Mukand Sumi Special Steel Ltd. (MSSSL) has been approved by National Company Law Tribunal (NCLT), Mumbai Bench vide its order date June 30,2022. In accordance with the share exchange ratio approved under the Scheme, Company received 2,571,150 shares of MSSSL . After demerger, MSMPL continues to carry on the business of cold finished stainless steel bars and wires. Moreover, in terms of arrangement with Joint Venture partner–Sumitomo Corporation, Japan (SC), Company has purchased 13,377,000 shares of MSMPL from SC at a consideration of Rs.53.11 Crore and MSMPL has become a Wholly Owned Subsidiary of the Company with effect from 30th September 2022.

(iv) The Board at its meeting held on November 11,2022 approved the sale 25,71,150 equity shares (5.51%) of Rs.10 each of MSSSL (received during the year pursuant to Scheme of Demerger), to promoter group company(ies) at value not less than Rs. 574/- per share. Subsequent to the close of the year, the Company on May 02,2023 sold said shares to Jamnalal Sons Private Limited at Rs 574/- per share

Notes Forming Part of Standalone Financial Statements (Contd.)

(5) OTHER FINANCIAL ASSETS - NON CURRENT	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Unsecured, considered good, unless otherwise specified		
a Deposits for Premises, Utilities, etc.	**18.21**	25.34
b Others	**0.01**	1.59
	18.22	26.93

(6) DEFERRED TAX ASSET / (LIABILITY)		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Deferred Tax Assets	**130.62**		175.55
Deferred Tax Liabilities	**(57.22)**		(67.88)
		73.40	107.67
		73.40	107.67

Deferred Tax Movement:

Rs. in crore

	Particulars	As at 31-Mar-22	PL FY 2022-23	OCI FY 2022-23	Reserves FY 2022-23	Movement FY 2022-23	As at 31-Mar-23
A	**Deferred Tax Asset**						
1	Unabsorbed Depreciation/ Business Loss	144.01	(37.83)	-	(28.34)	(66.17)	**77.84**
2	Taxes, Duties Cess, Interest to banks	0.12	0.08	-	-	0.08	**0.20**
3	Employee benefit P&L	9.27	0.89	-	-	0.89	**10.16**
4	Provision for Doubtful Debts / Expected Credit Loss	22.71	19.70	-	-	19.70	**42.41**
5	Effect of measurement of the financial instruments	(0.54)	0.54	-	-	0.54	**-**
6	Others	(0.02)	0.03	-	-	0.03	**0.01**
	Total Assets	**175.55**	**(16.59)**	**-**	**(28.34)**	**(44.93)**	**130.62**
B	**Deferred Tax Liability**						
1	Depreciation	53.22	(7.61)	-	-	(7.61)	**45.61**
2	Effect of measurement of the financial instruments	14.45	(4.07)	1.22	-	(2.85)	**11.60**
3	Actuarial gain/ (loss) on employee defined benefit funds recognized in other comprehensive income, net of tax	0.87	(0.78)	(0.09)	-	(0.87)	**-**
4	Others	(0.66)	0.67	-	-	0.67	**0.01**
	Total Liability	**67.88**	**(11.79)**	**1.13**	**-**	**(10.66)**	**57.22**
	Net Asset / (Liability)	**107.67**	**(4.80)**	**(1.13)**	**(28.34)**	**(34.27)**	**73.40**

Rs. in crore

	Particulars	As at 31-Mar-21	PL FY 2021-22	OCI FY 2021-22	Reserves FY 2021-22	Movement FY 2021-22	As at 31-Mar-22
A	Deferred Tax Asset						
1	Unabsorbed Depreciation/ Business Loss	275.96	(131.95)	-	-	(131.95)	144.01
2	Taxes, Duties Cess, Interest to banks	0.32	(0.20)	-	-	(0.20)	0.12
3	Employee benefit P&L	12.24	(2.97)	-	-	(2.97)	9.27
4	Provision for Doubtful Debts / Expected Credit Loss	22.19	0.52	-	-	0.52	22.71
5	Effect of measurement of the financial instruments	(0.54)	-	-	-	-	(0.54)
6	Others	(0.02)	-	-	-	-	(0.02)
	Total Assets	310.15	(134.60)	-	-	(134.60)	175.55

Notes Forming Part of Standalone Financial Statements (Contd.)

	Particulars	As at 31-Mar-21	PL FY 2021-22	OCI FY 2021-22	Reserves FY 2021-22	Movement FY 2021-22	As at 31-Mar-22
B	Deferred Tax Liability						
1	Depreciation	56.15	(2.93)	-	-	(2.93)	53.22
2	Effect of measurement of the financial instruments	140.10	(125.46)	(0.19)	-	(125.65)	14.45
3	Actuarial gain/ (loss) on employee defined benefit funds recognized in other comprehensive income, net of tax	1.48	-	(0.61)	-	(0.61)	0.87
4	Others	31.47	(32.13)	-	-	(32.13)	(0.66)
	Total Liability	229.20	(160.52)	(0.80)	-	(161.32)	67.88
	Net Asset / (Liability)	80.95	25.92	0.80	-	26.72	107.67

The Company has recognised deferred tax assets on carried forward tax losses. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The Company is expected to generate taxable income in near future. The losses can be carried forward for a period of 8 years as per local tax regulations and the Company expects to recover the losses.

(7) INCOME TAX ASSETS

		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Advance payment of Income-tax	80.71		80.31
Provision for Taxation	(37.43)		(37.82)
Income Tax (Net)		43.28	42.49
		43.28	42.49

(8) OTHER NON-CURRENT ASSETS

	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Unsecured, considered good unless, otherwise specified		
Capital Advances	19.03	16.69
Balance with Government Authorities $	14.63	35.55
	33.66	52.24

$ Includes National Savings Certificates of the cost of Rs. 44,000/- (Previous year Rs. 44,000/-) deposited with government departments.

In the opinion of the Board of Directors of the Company, all items of 'Current Assets, Loans and Advances', continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet, unless otherwise stated.

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

(9) INVENTORIES

		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Raw Materials	425.10		413.55
Materials in Transit	104.31		164.28
		529.41	577.83
Work-in-Progress	190.14		208.69
Work-in-Progress in Transit	8.27		-
		198.41	208.69
Contracts in Progress		18.14	23.32
Finished Goods	598.71		553.55
Finished Goods in Transit	14.82		13.30
		613.53	566.85
Stores, Spares, Components and Engineering Construction Materials	76.52		70.88
Materials in Transit	7.61		10.53
		84.13	81.41
Fuel		2.62	2.52
Loose Tools		0.28	0.26
		1,446.52	1,460.88

Notes Forming Part of Standalone Financial Statements (Contd.)

(a) Inventories stated above are free from any encumberances, except inventory engineering construction division.

(b) Amounts recognised in Statement of Profit and Loss:-

Write-down of Stores & Spares to net realisable value amounted to Rs. 0.16 crore (31-Mar-22 - Rs. 0.13 crore). These were recognised as an expense during the year and included in the Statement of Profit and Loss.

(10) TRADE RECEIVABLES		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Unsecured			
Considered Good	**517.57**		492.15
Considered Doubtful	**52.06**		40.83
		569.63	532.98
Less : Provision for Expected Credit Loss / Doubtful Debts		**(52.06)**	(40.83)
		517.57	492.15

a No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.

b The Company in previous years executed road construction projects in the state of Uttar Pradesh with National Highway Authority of India (NHAI) along with Centrodorstroy (CDS), Russia. The net receivables on this account is now at Rs.10.23 Crore as at 31st March 2023 as against Rs.10.29 Crore as at 31st March 2022. In the opinion of the Management, the balance net receivables would be realized from CDS in due course.

c The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note No. 46.

d Receivables are free from any encumberances, except trade receivables of engineering construction division.

e For receivables due from related parties, refer Note No. 39.

(11) CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
(11.1) Cash and Cash Equivalents			
a Balances with Banks in Current Accounts	**36.55**		26.26
b Cheques on hand	**-**		15.00
c Cash on hand	**0.03**		0.06
		36.58	41.32
(11.2) Other Bank Balances			
a Preference Share Redemption Account	**0.17**		0.17
b Unpaid Dividend Accounts	**0.14**		0.05
c Margin Money Accounts #	**2.07**		5.78
d Escrow Account towards Sale of Land	**-**		161.46
		2.38	167.46
		38.96	208.78

under lien with Banks

(12) LOANS - CURRENT		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Unsecured, considered good, unless otherwise specified			
Loans to Others	**75.58**		60.06
Less : Provision for Expected Credit Loss	**(25.01)**		(7.55)
		50.57	52.51
		50.57	52.51

(a) No loans due by directors or other officers of the Company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes Forming Part of Standalone Financial Statements (Contd.)

Short Term Loans and Advances, Trade Receivables, non-current investments etc.

b) In view of the disposal off all the assets of Bombay Forgings Ltd (BFL) during the year, provision for diminution in investments is made and trade receivable/ advances due is written off aggregating to Rs 15.38 crores (net off expected credit loss).

c) For details of loans and advances given to related parties, please refer Note No. 39.

d) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMP's and their related parties (as defined under Companies Act,2013) either severally or jointly with any other person, that are :

i repayable on demand ; or

ii without specifying any terms or period of repayment.

e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(13)	OTHER FINANCIAL ASSETS - CURRENT		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	Unsecured, considered good, unless otherwise specified			
	Employee Advances	-		0.03
	Interest Receivable	12.11		18.65
	Less : Provision for Expected Credit Loss	(5.42)	6.69	(2.62)
				16.03
	Unbilled Revenue	98.17		143.23
	Less : Provision for Expected Credit Loss	(26.02)		(15.91)
			72.15	127.32
	Others		0.09	1.01
			78.93	144.39

(14)	OTHER CURRENT ASSETS		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	Unsecured, considered good, unless otherwise specified			
	Export Benefits		0.98	1.76
	Advances recoverable in cash or in kind or for value to be received	135.66		170.26
	Less : Provision for Expected Credit Loss	(40.00)		-
			95.66	170.26
	Balances with Government Authorities		14.31	26.25
			110.95	198.27

(15)	ASSETS HELD FOR SALE	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	Land	17.15	106.17
	Residential Flat (Refer Note 41 II (ii))	1.66	1.68
		18.81	107.85

Notes Forming Part of Standalone Financial Statements (Contd.)

Rs. in crore

(16) SHARE CAPITAL	31-Mar-23	31-Mar-22
Authorised:		
188,100,000 (Previous year 148,000,000) Equity Shares of Rs.10/- each	**188.10**	148.00
	188.10	148.00
Issued:		
146,273,934 Equity Shares of Rs.10/- each	**146.27**	146.27
3,089,702 shares issued pursuant to Scheme of Amalgamation#	**3.09**	-
3,089,702 shares to be issued pursuant to Scheme of Amalgamation#	**-**	3.09
Total issued share capital: 149,363,636 Equity Shares of Rs.10/- each*	**149.36**	149.36
Subscribed and fully paid up:		
141,405,861 Equity Shares of Rs.10/- each	**141.41**	141.41
3,089,702 shares issued pursuant to Scheme of Amalgamation#	**3.09**	-
3,089,702 shares to be issued pursuant to Scheme of Amalgamation#	**-**	3.09
	144.50	144.50
Add: Forfeited shares (amounts originally paid up)	**0.01**	0.01
Total subscribed and fully paid-up share capital: 144,495,563 Equity Shares of Rs.10/- each	**144.51**	144.51

* Includes

28,031 Equity Shares which have been kept in abeyance by the Stock Exchange Authorities;

17,645 Equity Shares which have been forfieted by the Company;

48,22,397 Equity shares which were issued as Right issue but not subscribed.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Equity shares

	31-Mar-23		31-Mar-22	
	Nos. in crore	Rs. in crore	Nos. in crore	Rs. in crore
At the beginning of the period	**14.14**	**141.41**	14.14	141.41
Add : Issued during the period	**0.31**	**3.09**	-	-
Add : Shares to be issued pursuant to Scheme of Amalgamation #	**-**	**-**	0.31	3.09
Outstanding at the end of the period	**14.45**	**144.50**	14.45	144.50

In accordance with the Scheme of Amalagamation, 30,89,702 equity shares having face value of Rs 10/- each have been allotted to the shareholders of erstwhile Mukand Engineers Limited on June 17, 2022.

b. Terms / rights attached to equity shares:

The Company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees in accordance with its dividend distribution policy.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Board of Directors in its meeting held on May 16, 2023 recommended a dividend on equity shares at Rs. 2 per share for financial year 2022-23.

During the year ended 31 March 2023, the amount of dividend per share recognized as distribution to equity shareholders was Rs. 1.50/- as recommended by the Board of Directors in its meeting held on May 17, 2022 and approved by the Shareholders at its meeting held on August 10, 2022.

The Dividend paid for the previous year and proposed for the current year is in compliance with Section 123 of the Act.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. The Company does not have any holding company.

d. There are no bonus shares issued nor any shares bought back during the period of five years immediately preceding the reporting date. During the year Shares were allotted for consideration other than cash under the Scheme of Amalgamation - Refer Note 49.

Notes Forming Part of Standalone Financial Statements (Contd.)

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

Particulars	31-Mar-23		31-Mar-22	
	No. of Shares	% of holding	No. of Shares	% of holding
Jamnalal Sons Pvt. Ltd.	**28,780,252**	**19.92**	28,244,773	19.97
Baroda Industries Pvt. Ltd.	**17,836,482**	**12.34**	17,003,577	12.02
Bachhraj & Company Pvt. Ltd.	**14,956,818**	**10.35**	14,956,818	10.58
Bajaj Sevashram Pvt. Ltd.	**13,893,343**	**9.62**	13,856,881	9.80
Niraj Bajaj	**11,945,461**	**8.27**	11,786,730	8.34
Bajaj Holdings & Investments Ltd.	**8,134,333**	**5.63**	8,113,564	5.74

f. Details of Promoters/Promoter Group Shareholding

	Particulars	31-Mar-23		31-Mar-22	
		No. of Shares	% of holding	No. of Shares*	% of holding
A	**Companies**				
	Jamnalal Sons Pvt. Ltd.	**28,780,252**	**19.92**	28,244,773	19.97
	Baroda Industries Pvt. Ltd.	**17,836,482**	**12.34**	17,003,577	12.02
	Bachhraj & Co Pvt. Ltd.	**14,956,818**	**10.35**	14,956,818	10.58
	Bajaj Sevashram Pvt. Ltd.	**13,893,343**	**9.62**	13,856,881	9.80
	Bajaj Holdings & Investment Ltd.	**8,134,333**	**5.63**	8,113,564	5.74
	Bachhraj Factories Pvt. Ltd.	**7,016,015**	**4.86**	6,831,015	4.83
	Sanraj Nayan Investments Pvt. Ltd.	**2,244,898**	**1.55**	2,244,898	1.59
	Niraj Holdings Pvt. Ltd.	**8,000**	**0.01**	8,000	0.01
	Kamalnayan Investment & Trading Pvt. Ltd.	**7,000**		7,000	
	Madhur Securities Pvt. Ltd.	**7,000**		7,000	
	Rahul Securities Pvt. Ltd.	**7,000**		7,000	
	Rupa Equities Pvt. Ltd.	**7,000**		7,000	
	Shekhar Holdings Pvt. Ltd.	**7,000**		7,000	
	Akhil Investments & Traders Pvt. Ltd.	**-**	**-**	260	
	Valiant Investments & Trades Pvt. Ltd.	**-**	**-**	260	
	Oremet Minerals & Metal Pvt. Ltd.	**-**	**-**	100	
	Sidya Investments Ltd.	**6,692**			
	Sub-Total (A)	**92,911,833**	**64.30**	91,295,146	64.56
B	**Trust**				
	Madhur Bajaj (A/c. Nimisha Bajaj Family Trust)	**238,711**	**0.17**	238,711	0.17
	Kumud Bajaj (A/c. Neelima Bajaj Family Trust)	**238,711**	**0.17**	238,711	0.17
	Sanjivnayan Bajaj (A/c Siddhant Family Trust)	**143,384**	**0.10**	142,409	0.10
	Sanjivnayan Bajaj (A/c Sanjali Family Trust)	**143,384**	**0.10**	142,409	0.10
	Kumud Bajaj (A/c. Madhur Nimisha Family Trust)	**50,000**	**0.03**	50,000	0.04
	Madhur Bajaj (A/c. Kumud Neelima Family Trust)	**50,000**	**0.03**	50,000	0.04
	Madhur Bajaj (A/c. Kumud Nimisha Family Trust)	**50,000**	**0.03**	50,000	0.04
	Kumud Bajaj (Madhur Neelima Family Trust)	**50,000**	**0.03**	50,000	0.04
	Niraj Bajaj (A/c Niravnayan Trust)	**27,604**	**0.02**	27,200	0.02
	Suketu V. Shah (Rajketu Trust)#	**-**	**-**	1,349	
	Rajesh V Shah (A/c Decree Trust)#	**-**	**-**	100	
	Sub-Total (B)	**991,794**	**0.69**	990,889	0.70

Notes Forming Part of Standalone Financial Statements (Contd.)

	Particulars	31-Mar-23 No. of Shares	31-Mar-23 % of holding	31-Mar-22 No. of Shares*	31-Mar-22 % of holding
C	**Individuals/Hindu undivided Family**				
	Shri Niraj Bajaj	**11,945,461**	**8.27**	11,786,730	8.34
	Shri Shekhar Bajaj	**711,596**	**0.49**	711,134	0.49
	Smt Sunaina Kejriwal	**288,137**	**0.20**	286,180	0.20
	Smt Minal Bajaj	**199,404**	**0.14**	192,000	0.14
	Shri Rajivnayan Bajaj	**143,384**	**0.10**	142,409	0.10
	Shri Narendrakumar J Shah	**105,836**	**0.07**	104,105	0.07
	Smt Kiran Bajaj	**29,127**	**0.02**	28,800	0.02
	Smt Pooja Bajaj	**29,127**	**0.02**	28,800	0.02
	Shri Vanraj Anant Bajaj	**29,127**	**0.02**	28,800	0.02
	Shri Madhur Bajaj	**20,462**	**0.01**	20,000	0.01
	Smt Kumud Bajaj	**19,711**	**0.01**	19,711	0.01
	Smt Anjana Viren Shah (Nee Anjana Munsif)	**11,634**	**0.01**	11,634	0.01
	Smt Suman Jain	**4,069**		3,744	
	Shri Sanjivnayan Bajaj	**1,794**		1,787	
	Shri Niravnayan Bajaj	**1,154**		-	-
	Sub-Total (C)	**13,540,023**	**9.37**	13,365,834	9.45
	Total A+B+C	**107,443,650**	**74.36**	105,651,869	74.72

* Figures of 31-March-2022 excludes shares issued pursuant to scheme of amalgamation.

#Reclassified from 'Promoter and Promoter Group' to 'Public' category, pursuant to BSE and NSE approval letters dated January 12, 2023

g. There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

h. There are no unpaid calls from any Director and officer.

i. As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(17) OTHER EQUITY		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Capital Reserve :			
As per last Account (Rs. 47,439/-) (31-Mar-22 Rs. 47,439/-)			
Capital Redemption Reserve:			
As per last Account		**3.00**	3.00
Securities Premium :			
As per last Account		**100.22**	100.22
General Reserve :			
As per last Account		**238.56**	238.56
Retained Earnings :			
Balance of Profit / (Loss) as per last Account	**248.51**		(125.00)
Profit For the year	**185.48**		91.62
Other Adjustments	**(28.55)**		0.22
Equity Dividends	**(21.67)**		(14.14)
Transferred from Equity Instruments through Other Comprehensive Income	**5.33**		295.81
		389.10	248.51
Equity Instruments through Other Comprehensive Income			
As per last Account	**3.72**		300.28
Transferred to Retained Earnings	**(5.33)**		(295.81)
For the year	**6.00**		(0.75)
		4.39	3.72

Notes Forming Part of Standalone Financial Statements (Contd.)

(17) OTHER EQUITY		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Remeasurement of defined benefit obligation through Other Comprehensive Income			
As per last Account	**1.95**		3.75
For the year	**(0.25)**		(1.80)
		1.70	1.95
		736.97	595.96

1. **Capital Redemption Reserve**
   Capital Redemption Reserve is created by the Company for redemption of preference share from its profits.
2. **Securities premium**
   Securities premium is received from the shareholders of the Company on issue of shares. The reserve is utilised as per the provisions of the Companies Act, 2013.
3. **General Reserves**
   General Reserves is created out of net profits of the Company by way of appropriation of profits.
4. **Retained earnings**
   Retained earnings are the balance (debit /credit) in the statement of profit and loss.

(18) BORROWINGS - NON CURRENT		31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
I UNSECURED LOANS			
(a) Long term loans from Bank		**1,400.00**	-
(b) Fixed Deposits	**42.92**		16.07
Less : Transaction costs on Borrowings	**(0.16)**		(0.07)
		42.76	16.00
(c) Long term loans from Companies		**-**	864.07
Total Unsecured Loans		**1,442.76**	880.07
II Preference Share Liability [Unsecured]			
5,626,320 8% Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid up (Refer Note I below)		**5.63**	5.63
		1,448.39	885.70

(I) Company allotted 56,26,320, 8% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10/- each on private placement basis to the following members belonging to the Promoter Group entities. Rs.10/- has been called up on these shares. These CRPS will be redeemed at Par in one or more installments. These CRPS shall have a maximum term of 20 years from the date of allotment and shall be redeemed at the option of the Company after expiry of 5 years from the date of allotment, but before expiry of 20th year from the date of allotment. In the event of liquidation of the Company before redemption, the holders of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

a Details of shareholders holding more than 5% of 8% CRPS

8% CRPS of Rs. 10/- each, fully paid up:	31-Mar-23		31-Mar-22	
	Nos. shares	% holding	Nos. shares	% holding
Jamnalal Sons Pvt. Ltd.	**2,813,160**	**50**	2,813,160	50
Bachharaj & Company Pvt. Ltd.	**2,813,160**	**50**	2,813,160	50

b Shareholding of the Promoters in 8% CRPS is as shown above

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes Forming Part of Standalone Financial Statements (Contd.)

(II) The Board of Directors in its meeting held on May 16, 2023 recommended a dividend at 8% on CRPS for financial year 2022-23. Since aforesaid CRPS has been classified as financial liability, the amount of dividend has been shown as finance cost.

During the year ended 31 March 2023, the amount of CRPS dividend recognized as distribution to CRPS holders was at 8% / 0.01% as recommended by the Board of Directors in its meeting held on May 17, 2022 and approved by the shareholders at its meeting held on August 10, 2022.

(III) For details of loans received from related parties, refer Note No. 39.

(IV) Unsecured Long Term Committed Loans of Rs.1,400 crores availed from a Bank is repayable in one instalment on July 14, 2025. The interest rate on these loans is linked to 1 months / 3 months T-Bill + Spread. These loans are backed by guarantee of Rs 1,750 crores given by Jamnalal Sons Private Limited (JSPL), a promoter group company.

(V) The Company has not defaulted in the payment of interest and installments of the loans as at 31st March 2023.

(VI) Non Fund based facility sanctioned to erstwhile Mukand Engineers Limited (now Engineering Construction Division of the Company) by a bank, are secured by pledge of current assets and fixed assets of the division. Facility is also secured by Corporate Guarantee of the Company.

(VII) The Company has created / modified the charges with the Registrar of Companies within the statutory period except in the one case where the charge is yet to be satisfied with Registrar of Companies, despite repayment of the loans. The Company is in the process of filing the charge satisfaction e-form with MCA.

(19) OTHERS FINANCIAL LIABILITIES - NON CURRENT	**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
Security Deposits	**0.25**	0.25
	0.25	0.25

(20) PROVISIONS - NON CURRENT	**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
for Employee Benefits (Refer Note No. 42)	**43.14**	40.71
for Others	**20.00**	-
	63.14	40.71

(21) BORROWINGS - CURRENT	**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
I UNSECURED LOANS		
Short Term Loans from Companies	**56.23**	150.62
Total Unsecured Loans	**56.23**	150.62
II Current Maturities of long-term debt		
Current Maturities of long-term debt	**-**	1,000.00
Less : Transaction costs on Borrowings	**-**	(0.04)
	-	999.96
	56.23	1,150.58

a Term Loan of Rs.1,000 crores due to Bank is repaid on due date during the year.

b. The Company has not defaulted in the payment of interest and installments of the loans as at 31st March 2023.

(22) TRADE PAYABLES		**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
Dues to Micro Enterprises and Small Enterprises		**29.13**	13.11
Other than to Micro Enterprises and Small Enterprises			
Acceptances	**0.14**		35.31
Trade Payables	**511.33**		459.97
		511.47	495.28
		540.60	508.39

Notes Forming Part of Standalone Financial Statements (Contd.)

(a) For Payables to related parties, refer Note No. 39.

(b) Disclosure in respect of creditors registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) is as under:

		Particulars	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
		The principal amount and the interest due thereon remaining unpaid to suppliers		
a	i)	Principal - Not Due	**29.13**	13.11
	ii)	Interest due thereon	**-**	-
b	i)	Interest actually paid under section 16 of the MSMEDA	**-**	-
	ii)	Amount of payment made to suppliers beyond the appointed day		-
c		Amount of interest due and payable for the period of delay in making payment (which have been paid and beyond the appointed day during the year) but without adding interest under MSMEDA	**-**	-
d		Amount of interest accrued and remaining unpaid	**-**	-
e		Amount of further interest remaining due and payable even in the succeeding years, until such dates when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under MSMEDA	**-**	-

The disclosure above is based on the information available with Company regarding the status of the suppliers under the MSME.

(23)	OTHER FINANCIAL LIABILITIES - CURRENT	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	Interest accrued but not due on borrowings	**2.27**	25.08
	Interest accrued and due on borrowings	**-**	3.03
	Unpaid Dividends (represents amounts unclaimed)*	**0.14**	0.05
	Unpaid matured deposits (represents amounts unclaimed)*	**0.12**	0.39
	Liability towards Employee Benefits	**13.13**	8.86
	Acceptances / Payables for Capital Goods	**2.12**	2.20
	Others	**2.12**	1.65
		19.90	41.26

* No amounts are due & outstanding to be credited to Investor Education & Protection Fund.

Refer Note No. 39 for Related party transactions

(24)	OTHER CURRENT LIABILITIES	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	Advances against Orders and Engineering Contracts	**134.19**	23.95
	Statutory Dues	**2.04**	19.50
	Other Liabilities	**28.22**	176.15
		164.45	219.60

Other liabilities includes Rs Nil (Previous year Rs. 161.46 crore) advance towards Sale of Land and Rs. 1.50 crore (Previous year Rs. 1.50 crore)advance towards Sale of Residential Flat.

(25)	PROVISIONS - CURRENT	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
	for Employee Benefits (Refer Note No. 42)	**6.55**	10.14
	for Warranty Costs [Refer Note (a) below]	**1.63**	1.34
		8.18	11.48

(a) Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Notes Forming Part of Standalone Financial Statements (Contd.)

	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
Opening Balance	**1.34**	0.76
Provision recognised during the year	**1.63**	1.34
Amount utilised during the year	**(1.58)**	(2.16)
Amount (reversed)/ short provision during the year	**0.24**	1.40
Closing Balance	**1.63**	1.34

(26) REVENUE FROM OPERATIONS

	2022-23 Rs. in crore	2021-22 Rs. in crore
I Sale of Products and Services		
(1) Special Alloy Steel Products	**2,195.64**	1,853.79
(2) Stainless Steel Products	**2,872.14**	2,198.65
(3) Job Works & Other Services	**392.75**	450.04
(4) Engineering Contracts	**137.30**	105.13
	5,597.83	4,607.61
Sales is net of early payment discounts aggregating Rs. 1.50 crore (previous year Rs. 1.65 crore)		
II Other Operating Revenues		
(a) Sale of Scrap and Sundries	**5.61**	15.89
(b) Export Benefits	**6.58**	3.92
(c) Insurance Claims etc.	**0.30**	0.81
(d) Credit balances appropriated	**0.03**	1.09
(e) Bad Debts recovered	**0.13**	6.90
(f) Other Miscellaneous receipts	**7.04**	6.08
(g) Excess provisions written back (net)	**0.09**	0.48
(h) Surplus on account of sale of assets	**0.75**	0.15
	20.53	35.32
Total Revenue from Operations	**5,618.36**	4,642.93

(a) Disclosure regarding Income from Contracts of Industrial Machinery Division to which Ind AS 115 applies :

Rs. in crore

	2022-23	2021-22
The amount of Contract revenue recognised as revenue during the year.	**137.30**	105.13
The aggregate amount of costs incurred and recognised profits (less recognised losses) during the year.	**208.82**	153.72
The amount of advances received (Gross)	**46.83**	15.59
The amount of retentions (included in sundry debtors) (net balance)	**74.35**	131.21
Amount due from customers	**57.40**	52.30

(b) Disaggregation of Revenue :

Rs. in crore

Revenue based on geography	2022-23	2021-22
Domestic	**5,190.84**	4,375.12
Export	**406.99**	232.49
Total	**5,597.83**	4,607.61

Notes Forming Part of Standalone Financial Statements (Contd.)

Pending performance obligations on long term engineering contracts:

Revenue is recognized upon transfer of control of products or services to customers.

The Company has entered into long term contracts aggregating Rs. 523.98 crores (previous year Rs. 428.74 crores) pertaining to the industrial machinery division. The pending performance obligation relating to these contracts aggregates to Rs. 326.42 crores (previous year Rs.280.48 crores) as at year end.

The management of Company expects that 82.75% (previous year 53.60%) of the pending performance obligation amounting to Rs. 270.10 crores (previous year Rs. 150.34 crores) pertaining to these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

(27)	OTHER INCOME	2022-23 Rs. in crore	2021-22 Rs. in crore
(a)	Interest Received - From Customers/Banks/Others	**12.36**	9.05
(b)	Rent received	**1.28**	1.28
(c)	Net gains on Fair value changes/Disposal of Equity Instruments	**18.57**	0.28
(d)	Surplus on account of sale of Land/Residential Flat	**552.11**	22.47
(e)	Other Miscellaneous Income	**0.77**	-
(f)	Dividends (Gross)	**0.02**	0.01
		585.11	33.09

(28)	RAW MATERIALS CONSUMED	2022-23 Rs. in crore	2021-22 Rs. in crore
	Opening Stocks	**413.55**	342.69
	Add : Purchases	**4,009.72**	3,184.79
	Add / Less : Materials on loan / (Sales) [net]	**(2.20)**	(8.16)
		4,007.55	3,176.63
	Less : Closing Stocks	**425.10**	413.55
		3,995.97	3,105.77

(29)	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS /CONTRACTS IN PROGRESS	2022-23 Rs. in crore	2021-22 Rs. in crore
	Opening Stocks	**798.84**	591.92
	Less :		
	Closing Stocks	**830.06**	798.84
	(Increase)/Decrease in Stocks	**(31.22)**	(206.92)

(30)	EMPLOYEE BENEFITS EXPENSE	2022-23 Rs. in crore	2021-22 Rs. in crore
	Salaries, Wages, Bonus, Compensation and Other Payments	**166.39**	165.91
	Contribution towards Employees' State Insurance, Provident and Other Funds	**23.26**	20.02
	Welfare Expenses	**14.92**	15.64
		204.57	201.57

(31)	FINANCE COSTS	2022-23 Rs. in crore	2021-22 Rs. in crore
	Interest Expense	**175.22**	161.15
	Less :		
	Interest Capitalised	**(0.74)**	(0.42)
		174.48	160.73
	Other Transaction costs on borrowings	**0.69**	0.51
		175.17	161.24

Notes Forming Part of Standalone Financial Statements (Contd.)

(32) OTHER EXPENSES :		2022-23 Rs. in crore	2021-22 Rs. in crore
Stores, Spares, Components,Tools, etc. consumed		**724.59**	603.18
Power and Fuel consumed		**308.66**	258.75
Machining and Processing charges		**231.46**	210.08
Sub-contracting expenses		**69.25**	67.75
Other Manufacturing expenses		**47.01**	65.83
Rent (net)		**1.61**	1.64
Repairs:			
to Buildings & Roads	**11.11**		29.91
to Plant and Machinery	**18.56**		15.17
to Other assets	**4.51**		5.50
		34.18	50.58
Rates and Taxes		**4.87**	4.77
Insurance		**4.13**	3.38
Commission		**12.31**	5.63
Freight, Forwarding and Warehousing (net)		**5.55**	3.57
Directors' Fees and Travelling Expenses		**0.42**	0.29
Bad Debts, debit balances and claims written off	**20.89**		0.31
Less : Doubtful debts provided in earlier years	**(5.71)**		-
Bad Debts, debit balances and claims written off		**15.18**	0.31
Provision for Expected Credit Loss (Net)		**80.97**	(0.49)
Fair value loss on investments		**0.20**	-
Loss on assets sold		**11.67**	0.26
Loss on assets discarded		**0.05**	0.35
Loss/(Gain) on variation in foreign exchange rates (net)		**(17.01)**	(4.61)
Miscellaneous Expenses (a)		**79.14**	35.89
		1,614.24	1,307.16

(a) Payment to Auditors	2022-23	2021-22
(i) As Statutory Auditors	**0.61**	0.52
(ii) For Taxation Matters - Tax Audit	**0.08**	0.05
(iii) For Other services	**0.37**	0.17
(iv) Out of Pocket Expenses [Rs.29,653 /-(Previous year Nil)]		-
	1.06	0.74

(33) INCOME TAX EXPENSE	2022-23 Rs. in crore	2021-22 Rs. in crore
Profit before Tax	**194.27**	65.70
Applicable Tax Rate	**25.17%**	25.17%
Tax Expense	**48.90**	16.54
Tax effect of :		
Permanent disallowances	**-**	0.32
Short provision for tax in respect of earlier years	**(3.99)**	-
Others	**(40.11)**	(42.78)

Notes Forming Part of Standalone Financial Statements (Contd.)

Tax expenses / (credit) recognised in Statement of Profit and Loss	**4.80**	(25.92)

(34) OTHER COMPREHENSIVE INCOME	**2022-23 Rs. in crore**	2021-22 Rs. in crore
Items that will not be reclassified to Profit or loss (net of tax)		
Actuarial Gain/(Loss) on defined benefit Obligations	**(0.35)**	(2.40)
Net gains/(loss) on Fair value changes/Disposal of Equity Instruments	**7.22**	(0.96)
Less : Deferred tax (charge)/credit	**(1.13)**	0.80
	5.74	(2.56)

(35) COMPUTATION OF PROFIT FOR EARNINGS PER SHARE (EPS)	**2022-23**	2021-22
Net Profit After Taxation as per Statement of Profit & Loss	**185.48**	91.62
Net Profit for calculation of basic / diluted EPS [including Exceptional Items (net)]	**185.48**	91.62
Weighted average number of equity shares outstanding#	**144,495,563**	144,495,563
Basic and diluted EPS (face value Rs.10/- per share) (in Rs.)		
Including Exceptional items (net)	**12.84**	6.34

Includes 30,89,702 equity shares issued in accordance with the Scheme of Amalagamation.

(36) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as interest-bearing loans and borrowings less cash and cash equivalents & Current Investments. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at March 31, 2023 is as follows:

Particulars	**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
Borrowings		
Long term and Short term borrowings	**1,504.74**	2,036.67
Less: Cash & Cash Equivalents	**(36.58)**	(41.32)
Less : Current Investments	**(157.59)**	(1.06)
Adjusted net debt	**1,310.57**	1,994.29
Total Equity	**881.48**	740.47
Adjusted net debt to adjusted equity ratio	**1.49**	2.69

(37) (a) Contingent Liabilities not provided for

Particulars	**31-Mar-23 Rs. in crore**	31-Mar-22 Rs. in crore
(i) Disputed matters in appeal/contested in respect of:		
- Income Tax	**4.50**	7.81
- Excise Duty, Customs Duty etc.	**8.56**	7.21
- Sales Tax, Works Contract Tax etc. **	**7.85**	6.49
- Other matters	**96.64**	76.09

Notes Forming Part of Standalone Financial Statements (Contd.)

Particulars	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
*** In the matter of certain ex-parte assessments completed by Commercial Tax Officer in the State of Uttar Pradesh, Company is advised that liability if any, that may arise will be determined after the matter is remanded to the Assessing Officer and on completion of reassessment proceedings and therefore, the same is not included herein.*		
(ii) Claims against the Company not acknowledged as debt as these are disputed and pending disposal at various fora.	**11.77**	14.32
For items (i) & (ii)		
The Company has taken legal and other steps to protect its interest in respect of these matters, which is based on legal advice and/or precedents in its own/ other cases. It is not possible to make any further determination of the liability which may arise in these matters.		
(iii) Guarantees and Counter guarantees given by the Company on behalf of :-		
- Other Companies	**359.68**	455.78
(iv) Bonds / Undertakings given by the Company under concessional duty/ exemption to Customs / Excise Authorities (Net of redemption applied for)	**0.66**	0.66

(v) Demand for Annual Bonus for the financial years 1995-96 to 2006-07 by Staff and Officers' Association is pending at different stages in proceedings under The Industrial Disputes Act, 1947. Bulk of these employees are statutorily not covered by The Payment of Bonus Act, 1965 and many of the employees are also not covered by The Industrial Disputes Act, 1947. Liability arising there from cannot therefore be determined at present.

(vi) Government of Maharashtra had served a Demand Notice on the Company for payment of electricity duty for power generated during the period 01.04.2000 to 30.04.2005 and penal interest thereon in Company's Captive Power Plant amounting to Rs.14.27 crore. The Writ Petition filed by the Company was disposed by the Hon'ble Bombay High Court on 7th November, 2009 quashing the said Demand Notice. Government of Maharashtra has however, filed an appeal in the Supreme Court of India against the aforesaid judgment of High Court.

(vii) A claim towards difference in price of calibrated iron ore for the period 1st April, 2006 to 28th February, 2007 amounting to Rs.33.07 crore has been raised by a supplier in March 2007. The Company has been legally advised that the supplier cannot seek this price revision under a concluded agreement and hence no provision is made in the Accounts for the same. The issue along with method of review and re-fixing of price of calibrated iron ore effective on 1st of April each year in terms of agreement is referred to an arbitral tribunal whose award was pronounced on 28th February 2014. In terms of the said award, the supplier is directed to re-compute amount payable by the Company. The supplier has revised the claim amount in December 2020 to Rs. 19.71 Crores. Moreover, the said supplier has also increased the price of calibrated iron ore w.e.f. 1st April, 2007 and thereafter w.e.f. 1st April, every year. This issue too was settled by the aforesaid arbitral tribunal. However, pending such determination of final price, the supplier has raised invoices at an ad-hoc interim mutually agreed price on the marketing contractor who in turn, has billed the Company at the same price and the liability, has been fully accounted for. An appeal preferred for challenging the said arbitration award was rejected by the City Civil Court in January 2019. The marketing contractor has gone in appeal against the decision of the City Civil Court before the High Court of Karnataka. The appeal is pending disposal.

(b) Commitments	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
(i) Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	**7.36**	8.88
(ii) As lessee: Future Rental obligations in respect of premises taken on lease – Operating Lease:		
1 For a period not later than one year.	**0.68**	0.54
2 For a period later than one year and not later than five years.	**-**	-
3 For a period later than five years.	**-**	-
Total	**0.68**	0.54
Lease rentals charged to revenue for the current year Rs. 1.61 crore (Previous Year Rs. 1.64 crore).		

Notes Forming Part of Standalone Financial Statements (Contd.)

Particulars	31-Mar-23 Rs. in crore	31-Mar-22 Rs. in crore
These premises comprise residential flats and office premises. The Agreements for lease are executed for tenure of 11 to 60 months with a provision for renewal and termination by either party giving a prior notice of 1 to 3 months.		
(iii) As Lessor: Future Rental income in respect of premises/ plot of land given on lease – Operating Lease:		
1 For a period not later than one year.	**0.45**	0.51
2 For a period later than one year and not later than five years.	**0.60**	0.59
3 For a period later than five years.	**-**	-
Total	**1.05**	1.10

These premises comprise office premises and a residential flat given on lease for tenure of two / five years with a provision for renewal in case of office premises.

(38)

Rs. in crore

(a) Earnings in Foreign Exchange:	2022-23	2021-22
Exports (F.O.B. Value)	**406.99**	232.49
Freight & Insurance (included in the sale value)	**14.00**	10.30
	420.99	242.79

(b) Value of imports (C.I.F. basis) (including in-transit):		
Raw Materials	**1,592.51**	1,582.82
Stores, Spares, Components,Tools, etc. consumed	**84.22**	62.09
Capital goods	**0.16**	3.57
	1,676.89	1,648.48

Rs. in crore

(c) Expenditure in Foreign Currency:	2022-23	2021-22
(Including amounts capitalised and amounts recovered)		
Interest and Bank charges (Net of tax)	**0.16**	0.16
Technical Consultancy / Services (Net of tax)	**0.13**	-
Foreign Travel	**0.22**	0.04
Other matters	**8.04**	3.86
	8.55	4.06

(d) The Company had, during the Financial Year 1998-99, entered into a strategic alliance with Kalyani Steels Limited to set-up a steel plant to be operated by a company – Hospet Steels Limited.

Expenses and liabilities arising out of this alliance to Hospet Steels Limited are shared on the basis stipulated in the relevant Agreements, and its accounting in the books of the Company is carried out, accordingly.

Wherever, due to the terms of the alliance, estimations are required to be made in respect of expenses, liabilities, production, etc., the same have been relied upon by the auditors, being technical matters.

(39) RELATED PARTY DISCLOSURES

(a) Relationship :

(i) Subsidiaries

Mukand International FZE (MIFZE),Mukand Sumi Metal Processing Ltd (MSMPL)(WOS from 30.09.2022)

(ii) Associates

Bombay Forgings Ltd. (BFL), Stainless India Ltd. (SIL)

(iii) Joint Ventures

Hospet Steels Ltd. (HSL),Mukand Sumi Metal Processing Ltd (MSMPL)(JV till 29.09.2022),Mukand Sumi Special Steel Ltd (Upto 30.04.2021)

(iv) Key Management Personnel

Niraj Bajaj,Pratap V Ashar (till 08.04.2022), Prakash Vasantlal Mehta, Sankaran Radhakrishnan, Bharti Ram Gandhi, Amit Yadav, Other KMPs, Relatives of a Director/ Other KMPs.

Notes Forming Part of Standalone Financial Statements (Contd.)

(v) Other related parties where significant influence exists or where the related party has significant influence on the Company

Kalyani Mukand Ltd., Jamnalal Sons Pvt. Ltd. (JSPL), Baroda Industries Pvt. Ltd., Sidya Investment Ltd., Bachhraj & Company Pvt. Ltd ,Bachhraj Factories Pvt. Ltd., Mukand Sumi Special Steel Ltd., Bajaj Sevashram Pvt. Ltd, Kamalnayan Investment & Trading Pvt Ltd., Rahul Securities Pvt. Ltd., Niraj Holding Pvt. Ltd., Madhur Securities Pvt. Ltd., Shekhar Holding Pvt. Ltd., Malvi Ranchodas & Co., Bajaj Allianz General Insurance Co Ltd., Hind Musafir Agency Ltd., Bajaj Finserv Ltd., Hindustan Housing Co. Ltd., Other Promoter group (refer note 16).

(b) (i) Details of transactions with the related parties referred in (a) above :

Rs. in crore

	Nature of transactions	Related parties as referred in					
		a (i) above	a (ii) above	a (iii) above	a (iv) above	a (v) above	Total
1	Purchase of Goods	**22.69**	**-**	**30.15**	**-**	**39.06**	**91.90**
		-	-	53.38	-	24.76	78.14
2	Sale of Goods	**312.46**		**284.29**	**-**	**2,185.14**	**2,781.89**
		-	-	468.76	-	1,846.25	2,315.01
3	Purchase of Fixed Assets	**-**	**-**	**-**	**-**	**24.00**	**24.00**
		-	-	-	-	-	-
4	Sale of Investments/Repatriation of Capital	**0.88**	**-**	**-**	**-**	**-**	**0.88**
		8.07	-	-	-	499.53	507.60
5	Services Received	**2.71**	**-**	**70.06**	**-**	**29.57**	**102.34**
		-	-	69.77	-	39.03	108.80
6	Services Rendered	**0.09**	**-**	**54.57**	**-**	**136.27**	**190.93**
		-	-	83.16	-	213.21	296.37
7	Remuneration to Key Management Personnel /	**-**	**-**	**-**	**5.52**	**-**	**5.52**
	Relatives of KMPs	-	-	-	10.17	-	10.17
8	Interest Paid	**-**	**-**	**-**	**- ***	**70.63**	**70.63**
		-	-	1.24	- *	80.30	81.54
9	Interest / Dividend Received	**-**	**-**	**-**	**-**	**1.31**	**1.31**
		-	-	-	-	1.57	1.57
10	Shares Received on Demerger	**-**	**-**	**-**	**-**	**147.58**	**147.58**
		-	-	-	-	-	-
11	Investment in Preference Shares	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	3.38	3.38
12	Partial redemption of preference shares	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	0.97	0.97
13	Finance taken including equity / (re-payment of loans & advances) - Net	**-**	**-**	**-**	**-**	**(929.47)**	**(929.47)**
		-	-	-	-	(48.50)	(48.50)
14	Finance given including equity / preference	**-**	**2.79**	**-**	**-**	**-**	**2.79**
	(re-payment of loans & advances) - Net	-	(9.33)	-	-	-	(9.33)
15	Share allotement on account of Merger	**-**	**-**	**-**	**0.16**	**0.63**	**0.79**
	(paid up value)	-	-	-	-	-	-
16	Guarantee given/(adjusted) by the Company	**-**	**-**	**-**	**-**	**(96.09)**	**(96.09)**
		-	-		-	50.18	50.18
17	Preference / Equity Dividend Paid	**-**	**-**	**-**	**2.17**	**12.90**	**15.07**
		-	-	-	2.25	8.43	10.68
18	Guarantee given to the Company's Banker(net)	**-**	**-**	**-**	**-**	**(250.00)**	**(250.00)**
		-	-	-	-	200.00	200.00
19	Balances at the close of the year:						
	i) Amount Receivable (Net off ECL/amount	**-**	**-**	**-**	**-**	**111.56**	**111.56**
	written off)	-	0.55	42.79	-	25.74	69.08
	ii) Amount Payable	**-**	**-**	**15.02**	**0.14**	**3.30**	**18.46**
		-	-	14.29	0.17	11.10	25.56
	iii) Amount Receivable in respect of loans &	**-**	**-**	**-**	**-**	**28.33**	**28.33**
	advances	-	15.82	-	-	-	15.82
	iv) Amount Payable in respect of loans &	**-**	**-**	**-**	**-***	**85.57**	**85.57**
	advances	-	-	-	0.25*	964.81	965.06
	v) Guarantee given/(adjusted) by the Company	**-**	**-**	**-**	**-**	**353.92**	**353.92**
		-	-	-	-	450.02	450.02
	vi) Guarantee given to the Company's Banker	**-**	**-**	**-**	**-**	**1,950.00**	**1,950.00**
		-	-	-	-	2,200.00	2,200.00

* Interest on FDs to relatives of a Director / includes amount payable for FDs / interest thereon

Note : Figures in bold type relate to the current year and figures in normal type relate to previous year.

Notes Forming Part of Standalone Financial Statements (Contd.)

Rs. in crore

39. (b) (ii) Details in respect of material transactions with related parties

Purchase of Goods:		
Mukand Sumi Metal Processing Ltd*	**52.84**	53.38
Mukand Sumi Special Steel Ltd	**39.06**	24.76
Sale of Goods:		
Mukand Sumi Metal Processing Ltd*	**596.75**	468.76
Mukand Sumi Special Steel Ltd	**2,185.14**	1,846.25
Purchase of Fixed Assets:		
Mukand Sumi Special Steel Ltd	**24.00**	-
Sale of Investments/Repatraition of Capital :		
Jamnalal Sons Pvt Ltd	**-**	499.53
Mukand International FZE	**0.88**	8.07
Services Received:		
Hospet Steels Ltd	**65.02**	57.86
Hindustan Housing Co. Ltd	**0.14**	-
Malvi Ranchoddas & Co.	**0.33**	-
Mukand Sumi Metal Processing Ltd*	**7.75**	11.91
Mukand Sumi Special Steel Ltd	**12.69**	33.52
Jamnalal Sons Pvt Ltd	**6.83**	5.35
Bachharaj & Company Pvt Ltd	**0.16**	0.16
Bajaj Finserv Ltd	**0.12**	
Bajaj Allianz General Insurance Co Ltd	**8.61**	
Hind Musafir Agency Ltd	**0.69**	
Remuneration to Executive Directors & Other KMPs #		
Short term employment benefit	**3.33**	9.54
Post Employment Benefits	**1.80**	0.34
Remuneration to Non-Executive / Independent Directors		
Sitting Fees	**0.39**	0.29
Services Rendered:		
Mukand Sumi Special Steel Ltd	**136.27**	213.21
Mukand Sumi Metal Processing Ltd*	**54.66**	83.16
Interest Paid		
Jamnalal Sons Pvt Ltd	**42.92**	44.32
Adonis Laboratories Pvt Ltd	**-**	0.11
Mukand Sumi Metal Processing Ltd*	**-**	1.24
Mukand Sumi Special Steels Ltd	**2.53**	1.00
Baroda Industries Pvt Ltd	**0.05**	0.09
Bachharaj & Company Pvt Ltd	**11.74**	28.47
Bachharaj Factories Pvt Ltd	**0.07**	0.10
Bajaj Sevashram Pvt Ltd	**9.38**	6.13
Sanrajnayan Investments Pvt Ltd	**1.70**	0.08
Kamalnayan Investment & Trading Pvt Limited	**0.36**	-
Rahul Securities Pvt. Ltd	**0.71**	-
Madhur Securities Pvt. Ltd	**0.41**	-
Shekhar Holding Pvt. Ltd	**0.41**	-
Niraj Holding Pvt. Ltd	**0.35**	-
Interest / Dividend Received		
Mukand Sumi Special Steels Ltd	**1.31**	1.57
Investment in preference shares		
Jamnalal Sons Pvt Ltd	**-**	1.69
Bachharaj & Company Pvt Ltd	**-**	1.69
Partial redemption of preference shares		
Jamnalal Sons Pvt Ltd	**-**	0.28
Bachharaj & Company Pvt Ltd	**-**	0.11
Bajaj Sevashram Pvt Ltd	**-**	0.01
Relatives of Director/ Director and Promoter Group	**-**	0.57
Guarantees given/(adjusted) by the Company		
Mukand Sumi Special Steel Ltd	**(96.09)**	50.18
Guarantee given to the Company's Banker (Net)		
Jamnalal Sons Pvt Ltd	**(250.00)**	200.00
Finance taken including equity / preference / (re-payment of loans & advances) - Net		
Jamnalal Sons Pvt Ltd	**(613.02)**	130.08
Mukand Sumi Special Steels Ltd	**7.62**	0.22
Baroda Industries Pvt Ltd	**-**	-
Bachharaj & Company Pvt Ltd	**(176.97)**	(325.90)
Bachharaj Factories Pvt Ltd	**-**	
Bajaj Sevashram Pvt Ltd	**(112.10)**	112.10
Sanrajnayan Investments Pvt Ltd	**(35.00)**	35.00
Finance given including equity / (re-payment of loans & advances) - Net		
Bombay Forgings Ltd	**2.79**	(9.33)
Dividend paid		
Jamnalal Sons Pvt Ltd	**4.48**	2.91
Baroda Industries Pvt Ltd	**2.55**	1.70

Notes Forming Part of Standalone Financial Statements (Contd.)

Bachharaj & Company Pvt Ltd	**2.40**	1.53
Bachharaj Factories Pvt Ltd	**1.05**	0.68
Bajaj Sevashram Pvt Ltd	**2.08**	1.39
Sanrajnayan Investments Pvt Ltd	**0.34**	0.22
Relatives of Director/ Director and Promoter Group	**2.17**	2.25
Shares Received on Demerger		
Mukand Sumi Special Steel Ltd	**147.58**	-
Share allotemnt on account of Merger(paid up value)		
Jamnalal Sons Pvt Ltd	**0.54**	-
Bajaj Sevashram Pvt Ltd	**0.04**	-
Niraj Bajaj	**0.16**	-
Other Promoter Group	**0.05**	-
Balances at the close of the year:		
i) Amount Receivable (net of ECL/amount written off)		
Bombay Forgings Ltd	**-**	0.55
Mukand Sumi Special Steel Ltd	**34.31**	25.49
Mukand Sumi Metal Processing Ltd*	**76.50**	42.79
Bajaj Allianz General Insurance Co Limited	**0.75**	-
Kalyani Mukand Ltd	**-**	0.26
ii) Amount payable		
Hind Musafir Agency Limited	**0.05**	-
Hospet Steels Ltd	**11.67**	8.22
Mukand Sumi Metal Processing Ltd*	**3.34**	6.07
Bachharaj & Company Pvt Ltd	**-**	0.03
Remuneration to Key Management Personnel/Exp payable to Relatives of KMP	**0.14**	0.17
Mukand Sumi Special Steel Ltd	**3.25**	11.07
iii) Amount Receivable in respect of loans & advances		
Bombay Forgings Ltd	**-**	15.80
Mukand Sumi Special Steel Ltd	**28.33**	-
Stainless	**-**	0.02
iv) Amount Payable in respect of loans & advances		
Jamnalal Sons Pvt Ltd	**-**	624.12
Mukand Sumi Special Steel Ltd	**85.57**	-
Bachharaj & Company Pvt Ltd	**-**	188.80
Bajaj Sevashram Pvt Ltd	**-**	116.81
Sanrajnayan Investments Pvt Ltd	**-**	35.08
FDs / interest thereon from Relatives of a Director/KMP	**-**	0.25
Guarantees given by the Company		
Mukand Sumi Special Steels Ltd	**353.92**	450.02
Guarantee given to the Company's Banker		
Jamnalal Sons Pvt Ltd	**1,950.00**	2,200.00

Note: Figures in bold type relate to the current year and figures in normal type relate to previous year.

The aforesaid amount does not include amount in respect of Gratuity and Leave for KMP who were employed throughout the year as the same is not determinable.

*The transactions pertaining to alloy steel business up to effective date of demerger of Mukand Sumi Metal Processing Ltd. (MSMPL) have been allocated by MSMPL to Mukand Sumi Special Steel Ltd. (MSSSL). However, RPT with MSMPL and MSSSL are reported on actual basis.

(40) PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013:

Rs. in crore

Particulars	Purpose	31-Mar-23	31-Mar-22
i) Loans:			
Name of the Party			
Vidyavihar Containers Ltd.	To be utilized for its business	**8.18**	8.14
Aasman Trading Pvt. Ltd.	To be utilized for its business	**0.44**	0.44
A M Realty Pvt. Ltd.	To be utilized for its business	**0.38**	0.38
Rajhans Nutriments Pvt. Ltd.	To be utilized for its business	**14.89**	15.39
Parinee Realty Pvt. Ltd.	To be utilized for its business	**4.55**	4.54
Konark Fixtures Ltd.	To be utilized for its business	**-**	1.00
India Thermal Power Ltd.	To be utilized for its business	**13.49**	14.94

Notes Forming Part of Standalone Financial Statements (Contd.)

Rs. in crore

Rs. in crore

Particulars	Purpose	31-Mar-23	31-Mar-22
Konark Herbal & Healthcare Pvt. Ltd.	To be utilized for its business	**14.75**	14.75
Magnum Cylinders Pvt. Ltd.	To be utilized for its business	**-**	0.48
Om Omega Shelters Pvt. Ltd.	To be utilized for its business	**7.50**	-
Rajhans Infracon (India) Pvt. Ltd.	To be utilized for its business	**11.40**	-
ECL Provided		**(25.01)**	(7.55)
ii) Guarantees:			
Name of the Party			
JSC Centrodorstroy	For security to claim amounts awarded by arbitral Tribunal	**5.76**	5.76
Mukand Sumi Special Steel Ltd (MSSSL)	For its banking facilities	**353.92**	450.02
iii) Investments:			
For details, please refer Note No. 4			

(41) (I) In accordance with Indian Accounting Standard – 108 "Segment Reporting", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these financial statements.

(II) Monetization of assets:

During the year under report the Company has :

i) Received on 19th September 2022 Rs.0.88 crore from MIFZE towards repatriation of capital (1 share of 1 Million Dhiram each) pursuant to closure of operation and liquidation.

ii) Completed the transfer of 45.94 acres of surplus land at our Kalwe / Dighe facility in Thane District on January 5, 2023. This transaction has been accounted and the resultant surplus has been included in Other Income.

(III) Leases

The Company has recognised and measured the Right of Use (ROU) asset and lease liability over the lease period. The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2023 & March 31,2022

Rs. in crore

Particulars	ROU Assets
	Leasehold Land
Balance as at April 1, 2022	**15.12**
Additions during the year	-
Deletion during the year	(14.94)
Depreciation on ROU (Refer Note No. 3)	(0.18)
Balance as at March 31, 2023	**-**

Particulars	ROU Assets
	Leasehold Land
Balance as at April 1, 2021	15.31
Additions during the year	-
Deletion during the year	-
Depreciation on ROU (Refer Note No. 3)	(0.19)
Balance as at March 31, 2022	15.12

Notes Forming Part of Standalone Financial Statements (Contd.)

(42) EMPLOYEE BENEFITS

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for earned leave and sick leave.

The compensated absences charged/(written back) in the Statement of Profit and Loss for the year ended March 31, 2023 based on actuarial valuation is Rs. 0.30 Crore (Previous year Rs. (1.99) crore).

(b) Post employment obligations

Defined contribution plans

The Company also contributes on a defined contribution basis to employees' provident fund and superannuation fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund (an exempted Trust). The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the year towards defined contribution plans

Rs. in crore

Particulars	2022-23	2021-22
Employer's Contribution to PF	**6.79**	6.98
Employer's Contribution to FPF	**1.90**	1.70
Employer's Contribution to EDLI	**0.38**	0.72
Employer's Contribution to ESIC	**0.04**	0.05
Employer's Contribution to Maharashtra Labour Welfare fund	**0.07**	0.10
Employer's Contribution to Superannuation Fund	**3.51**	3.84

Defined benefit plans

Gratuity

The Company provides for gratuity for employees as per Company's Scheme/s. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is based on the employees last drawn basic salary, special allowance and dearness allowance per month and as per the Schemes applicable to those employees from time to time. The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

The actuarial valuation of the defined benefit obligation (DBO) was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Rs. in crore

		For the year ended March 31, 2023	For the year ended March 31, 2022*
		Gratuity (funded)	Gratuity (funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current Service Cost	**2.57**	2.73
	Past Service Cost	**5.00**	1.57
	Interest cost on benefit obligation	**2.11**	1.62
	Total Expenses	**9.68**	5.92
II	**Income / Expenses recognised in OCI**		
	Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	**(0.93)**	(1.45)
	Actuarial (Gain)/ Losses due to Experience on DBO	**1.23**	3.56
	Return on plan assets, excluding amount recognised in net interest expense	**0.05**	(0.03)
	Total Expenses	**0.35**	2.08

Notes Forming Part of Standalone Financial Statements (Contd.)

		For the year ended March 31, 2023	For the year ended March 31, 2022*
		Gratuity (funded)	Gratuity (funded)
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	**(57.17)**	(54.01)
	Fair Value of Plan Assets	**26.71**	27.87
	Funded status [Surplus/(Deficit)]	**(30.46)**	(26.14)
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	**54.01**	53.24
	Current Service Cost	**2.57**	2.73
	Past service cost / acquisition adjustment	**3.91**	-
	Interest Cost	**4.10**	3.59
	Actuarial (Gain)/Loss	**0.30**	2.10
	Benefits paid	**(7.72)**	(7.65)
	Present value of defined benefit obligation at the end of the year	**57.17**	54.01
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	**27.87**	29.07
	Investment Income	**1.99**	1.97
	Return on plan assets, excluding amount recognised in net interest expense	**(0.05)**	0.22
	Contribution from Employer	**4.54**	4.26
	Benefits paid	**(7.72)**	(7.65)
	Transfer in	**0.08**	-
	Closing fair value of the plan asset	**26.71**	27.87
VI	**Maturity profile of DBO on undiscounted basis:**		
	Within the next 12 months (next annual reporting period)	**9.90**	11.01
	Between 2 and 5 years	**25.21**	21.01
	Between 6 and 10 years	**29.76**	27.41
	More than 10 years	**38.41**	38.23
VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
	1 Increase/(decrease) on present value of DBO at the end of the year:		
	(i) +100 basis points increase in discount rate	**(3.44)**	(3.34)
	(ii) -100 basis points decrease in discount rate	**3.88**	3.79
	(iii) +100 basis points increase in rate of salary increase	**3.98**	3.87
	(iv) -100 basis points decrease in rate of salary increase	**(3.58)**	(3.46)

2 Sensitivity analysis method

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VIII	**Actuarial Assumptions:**	**As at March 31, 2023**	As at March 31, 2022
1	Discount rate	**7.40%**	7.15%
2	Expected rate of salary increase	**4.00% p.a.**	4.00% p.a.
3	Attrition rate	**2.00%**	2.00%
4	Mortality	**Indian Assured Lives Mortality (2012-14) Ultimate**	Indian Assured Lives Mortality (2012-14) Ultimate

Notes Forming Part of Standalone Financial Statements (Contd.)

Notes:

a) The rate used to discount post employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The gratuity fund is managed by Life Insurance Corporation of India and details of fund invested by insurer are not available with Company.

d) The Company expects to make a contribution of Rs. 5.15 Crore to the defined benefit plans (gratuity - funded) during the next financial year.

e) The average duration of the defined benefit plan (DBP) obligation at the end of the reporting period is 6 years.

f) *The above disclosures for the year ended March 31, 2022 does not include amounts for employees of amalgamated entities.

Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time) and Company's Schemes for different category of employees. There is a risk of change in regulations requiring higher gratuity payouts.

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to the market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(43) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Rs. in crore

Particulars	Opening Balance	Cash Movement	Business Acquisition/ Disposals	Foreign exchange changes	Fair value changes	Others	Total
March 31, 2023							
Preference Share Capital	5.63	-	-	-	-	-	5.63
Long term Loans from Bank	1,000.00	400.00	-	-	-	-	1,400.00
Long term Loans from Companies	864.07	(864.07)	-	-	-	-	-
Fixed Deposits	16.46	26.58	-	-	-	-	43.04
Working Capital Loans	-	-	-	-	-	-	-
Inter corporate Deposits	150.62	(94.39)	-	-	-	-	56.23
Total	**2,036.78**	**(531.88)**	**-**	**-**	**-**	**-**	**1,504.90**
March 31, 2022							
Preference Share Capital	5.15	-	-	-	-	0.48	5.63
Long term Loans from Bank	1,000.00	-	-	-	-	-	1,000.00
Long term Loans from Companies	840.25	23.82	-	-	-	-	864.07
Fixed Deposits	1.52	14.94	-	-	-	-	16.46
Working Capital Loans	5.67	(5.67)		-	-	-	-
Inter corporate Deposits	232.21	(81.59)	-	-	-	-	150.62
Total	2,084.80	(48.50)	-	-	-	0.48	2,036.78

These cash movements are included in the cash flow statement: receipts from borrowing, repayment of borrowing.

Notes Forming Part of Standalone Financial Statements (Contd.)

(44) INTERESTS IN OTHER ENTITIES

In compliance with Ind AS 27 "Separate Financial Statements", the required information is as under:

Name of Entity		Place of Business/ Country of Incorporation	Percentage of Ownership Interest as on	
			31-Mar-23	31-Mar-22
(a)	**Subsidiaries**			
	Mukand Sumi Metal Processing Ltd. W.e.f September 30, 2022	India	**100.00%**	-
(b)	**Joint Ventures**			
	Mukand Sumi Metal Processing Ltd till September 29, 2022	India	**-**	51.00%
	Hospet Steel Ltd.	India	**39.00%**	39.00%
(c)	**Associates**			
	Bombay Forgings Ltd.	India	**33.17%**	33.17%
	Stainless India Ltd.	India	**48.30%**	48.30%

(45) FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Rs. in crore

			Carrying Amount				Fair Value			
			FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
1	**Financial Assets and Liabilities as at March 31, 2023:**									
	a	**Non-Current Financial Assets**								
		Investments in Equity/ Preference Instruments	1.45	115.59	-	**117.04**	1.35	-	115.69	**117.04**
		Other Financial Assets	-	-	18.22	**18.22**	-	-	-	-
	b	**Current Financial Assets**								
		Trade Receivable	-	-	517.57	**517.57**	-	-	-	-
		Cash & Cash Equivalents	-	-	36.58	**36.58**	-	-	-	-
		Other Bank Balance	-	-	2.38	**2.38**	-	-	-	-
		Loans	-	-	50.57	**50.57**	-	-	-	-
		Other Financial Assets	-	-	78.93	**78.93**	-	-	-	-
		Current Investments	157.59	-	-	**157.59**	10.01		147.58	**157.59**
			159.04	**115.59**	**704.25**	**978.88**	**11.36**	**-**	**263.27**	**274.63**
	c	**Non-current Financial liabilities**								
		Borrowings	-	-	1,448.39	**1,448.39**	-	-	-	-
		Other Financial Liabilities	-	-	0.25	**0.25**	-	-	-	-
	d	**Current Financial liabilities**								
		Short term borrowings	-	-	56.23	**56.23**	-	-	-	-
		Trade Payables	-	-	540.60	**540.60**	-	-	-	-
		Other Financial Liabilities	-	-	19.90	**19.90**	-	-	-	-
			-	**-**	**2,065.37**	**2,065.37**	**-**	**-**	**-**	**-**

Notes Forming Part of Standalone Financial Statements (Contd.)

Rs. in crore

			Carrying Amount				Fair Value			
			FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
2	Financial Assets and Liabilities as at March 31, 2022:									
	a	Non-Current Financial Assets								
		Investments in Equity Instruments	186.82	-	0.20	187.02	1.13	-	185.69	186.82
		Other Financial Assets	-	-	26.93	26.93	-	-	-	-
	b	Current Financial Assets								
		Trade Receivable	-	-	492.15	492.15	-	-	-	-
		Cash & Cash Equivalents	-	-	41.32	41.32	-	-	-	-
		Other Bank Balance	-	-	167.46	167.46	-	-	-	-
		Loans	-	-	52.51	52.51	-	-	-	-
		Other Financial Assets	-	-	144.39	144.39	-	-	-	-
		Current Investments	-	1.06	-	1.06	-	-	1.06	1.06
			186.82	1.06	924.96	1,112.84	1.13	-	186.75	187.88
	c	Non-current Financial liabilities								
		Borrowings	-	-	885.70	885.70	-	-	-	-
		Other Financial Liabilities	-	-	0.25	0.25	-	-	-	-
	d	Current Financial liabilities								
		Short term borrowings	-	-	1,150.58	1,150.58	-	-	-	-
		Trade Payables	-	-	508.39	508.39	-	-	-	-
		Other Financial Liabilities	0.70		40.56	41.26	-	0.70	-	0.70
			0.70	-	2,585.48	2,586.18	-	0.70	-	0.70

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these receivables.

c) The fair values for investment in equity shares other than quoted equity shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

d) The fair value of the Equity Investments which are quoted, are derived from quoted market prices in active market.

e) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. 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.

Level 2: The fair value of financial instruments that are not traded in an active market 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Notes Forming Part of Standalone Financial Statements (Contd.)

D. Valuation technique used to determine fair value

Type	Valuation technique	Significant unobservable input	Interrelationship between Significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Profit & Loss	Income based approach (Discounted Cash Flow Method)	Discounting Rate/ WACC- 12%	Increase/ (Decrease) in significant unobservable input will (Decrease) / Increase fair value of the instrument

E. Reconciliation of Level 3 fair values:

Rs. in crore

Particulars	31-Mar-23	31-Mar-22
Opening balance	**186.75**	695.05
Additional Investment	**53.11**	-
Sale of Investment	**(0.88)**	(507.59)
Statement of profit and loss	**17.08**	0.25
Other comprehensive income	**7.21**	(0.96)
Closing balance	**263.27**	186.75

F. Sensitivity Analysis

A reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects in profit or loss:

Significant unobservable input	31-Mar-23		31-Mar-22	
	Increase	Decrease	Increase	Decrease
0.5% Discount rate				
MSMPL	**(6.40)**	**7.09**	(10.07)	11.19

(46) Financial Risk Management

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Director of the Company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has in place adequate Internal Financial Controls with reference to financial statements and such internal financial controls are operating effectively. The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial statements.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i Trade and Other receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

Notes Forming Part of Standalone Financial Statements (Contd.)

The ageing analysis of trade receivables has been considered from the date the invoice falls due.

Rs. in crore

Particulars	31-Mar-23	31-Mar-22
Trade Receivable		
0 to 180 days due past due date (including not due)	**525.86**	496.32
More than 180 days upto 1 year past due date	**2.54**	2.51
More than 1 year upto 2 years past due date	**4.05**	2.77
More than 2 year upto 3 years past due date	**0.05**	1.21
More than 3 years past due date	**37.13**	30.17
Total	**569.63**	532.98
Less : Provision for Expected Credit Loss / Doubtful Debts		
0 to 180 days due past due date (including not due)	**(20.25)**	(10.42)
More than 180 days upto 1 year past due date	**(2.54)**	(2.51)
More than 1 year upto 2 years past due date	**(4.05)**	(1.86)
More than 2 year upto 3 years past due date	**(0.05)**	(1.09)
More than 3 years past due date	**(25.17)**	(24.95)
Total	**(52.06)**	(40.83)
	517.57	492.15

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The Company does not have any disputed trade receivable as on 31st March 2023 (previous year: Nil)

ii The following table summarizes the changes in loss allowances measured using life time expected credit loss model for trade and Other Receivables -

Rs. in crore

Particulars	31-Mar-23	31-Mar-22
Opening Provision	**66.91**	71.00
Provision during the year	**81.60**	7.31
Reversal of provision	**-**	(11.40)
Closing provision	**148.51**	66.91

iii Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 38.96 crores at March 31, 2023 (March 31, 2022: Rs 208.78 crores [including Rs 161.46 crores being Short Term Fixed Deposit in Escrow Account]). The same are held with banks having good credit rating.

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Notes Forming Part of Standalone Financial Statements (Contd.)

I Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Rs. in crore

i	**Contractual maturities of financial liabilities 31 March 2023:**	**1 year or less**	**1-2 years**	**More than 2 years**	**Total**
	Non-Derivative				
	Long term borrowings	0.12	16.04	1,432.51	1,448.67
	Short term borrowings	56.23	-	-	56.23
	Trade payables	540.60	-	-	540.60
	Other financial liabilities	19.78	-	0.25	20.03
	Total	**616.73**	**16.04**	**1,432.76**	**2,065.53**
	Derivatives	237.46	-	-	237.46
	Total	**854.19**	**16.04**	**1,432.76**	**2302.99**

Rs. in crore

ii	Contractual maturities of financial liabilities 31 March 2022:	1 year or less	1-2 years	More than 2 years	Total
	Non-Derivative				
	Long term borrowings	1,000.39	-	885.77	1,886.16
	Short term borrowings	150.62	-	-	150.62
	Trade payables	508.39	-	-	508.39
	Other financial liabilities	40.87	-	0.25	41.12
	Total	1,700.27	-	886.02	2,586.29
	Derivatives	273.08	-	-	273.08
	Total	1,973.35	-	886.02	2,859.37

II The ageing analysis of trade payables

Rs. in crore

Particulars		**31-Mar-23**		31-Mar-22
Dues to Micro Enterprises and Small Enterprises not due & upto 1 yr		**29.13**		13.11
Other than to Micro Enterprises and Small Enterprises				
Acceptances not due & upto 1 yr		**0.14**		35.31
Trade Payables not due & upto 1 yr	**507.29**		453.95	
Trade Payables >1 yr upto 2 yr	**0.94**		0.76	
Trade Payables >2 yr upto 3 yr	**0.27**		0.98	
Trade Payables >3 yr	**2.83**		4.28	
		511.33		459.97
Total Other than to Micro Enterprises and Small Enterprises		**511.47**		495.28
Total		**540.60**		508.39

The Company does not have any disputed trade payable as on 31st March 2023 (previous year: Nil)

C Market risk

Market risk is the risk that changes in market prices, such as interest rates (interest rate risk), will affect the company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

D Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows 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 obligation at floating interest rates. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes Forming Part of Standalone Financial Statements (Contd.)

E Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-23	31-Mar-22
Variable rate borrowings	**1,400.00**	1,000.00
Fixed rate borrowings	**104.90**	1,036.78
Total borrowings	**1,504.90**	2,036.78

F. Sensitivity Analysis

A change of 100 basis points in interest rates would have following impact on profit after tax and equity:

Particulars	31-Mar-23	31-Mar-22
Interest rates – increase by 100 basis points *	**10.48**	7.48
Interest rates – decrease by 100 basis points *	**(10.48)**	(7.48)

* Holding all other variables constant

G Foreign Exchange Risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely and accordingly suitable hedges are taken. The Company's foreign currency exposure arises mainly from foreign exchange imports and exports primarily with respect to USD and EURO. Additionally, there are transaction which are entered into in other currencies are not significant in relation to total volume of the foreign currency exposures.

a. Derivative instruments outstanding:

Rs. in crore

Particulars	As at 31-Mar-2023			As at 31-Mar-2022		
	Foreign Currency		Equivalent (in Rs.)	Foreign Currency		Equivalent (in Rs.)
For Imports	**USD**	**2.34**	**192.83**	USD	2.61	198.92
	EURO	**0.01**	**1.24**	EURO	-	-
For Exports	**USD**	**0.18**	**15.15**	USD	0.27	20.55
	EURO	**0.31**	**28.24**	EURO	0.63	53.61

b. Foreign Currency exposure that are not hedged by derivative instruments:

Rs. in crore

	Trade Receivables	Equiv Rs.	Trade Payables	Equiv Rs.	Others	Equiv Rs.	Total	Equiv Rs.
USD	**-**	**-**	**0.01**	**0.68**	**-**	**-**	**0.01**	**0.68**
	0.02	1.39	0.02	1.34	0.01	1.01	0.05	3.73
EURO	**-**	**-**	**0.02**	**1.71**	**-**	**-**	**0.02**	**1.71**
	-	-	0.02	1.73	-	-	0.02	1.73
Others*	**-**	**-**	**0.15**	**0.10**	**-**	**-**	**0.15**	**0.10**
	-	-	0.00	0.11	-	-	0.00	0.11
					Total 2022-23		**0.17**	**2.49**
					Total 2021-22		0.07	5.57

*Others mainly includes currencies namely Japanese Yen, Australian Dollar, Omani Rial

Figures in Bold type relate to current year and figures in normal type relate to previous year.

c. Sensitivity if the Exchange rate moves upward / downward by Rs. 1/-

Rs. in crore

Liability Movement	Increase	Decrease
Upward movement	**0.03**	
	0.07	
Downward movement		**(0.03)**
		(0.07)

Notes Forming Part of Standalone Financial Statements (Contd.)

(47) FINANCIALS RATIOS		Refer Note	31-Mar-23	31-Mar-22
1	Current Ratio Current Assets / Current Liabilities	(b)	**3.04**	1.32
2	Net Debt Equity Ratio Net Debt = Non Current & Current Borrowings - Current Investments - Cash & Cash Equivalents Equity = Equity Capital + Other Equity	(a)	**1.49**	2.69
3	Debt service coverage ratio EBIDTA / (Net Finance Charges + Net changes in Non Current Borrowings & Current Maturities	(d)	**0.68**	2.33
4	Return on Equity % PAT / Average Equity	(b)& (c)	**22.87%**	13.03%
5	Inventory turnover ratio COGS / Average Inventory	(b)	**4.01**	3.43
6	Debtors turnover ratio Revenue from Operations / Average Debtors	(b)	**11.13**	9.07
7	Trade Payables turnover ratio Purchases / Average Trade Payables	(b)	**10.61**	9.54
8	Net Capital turnover ratio Working Capital / Revenue from Operations	(b)	**0.20**	0.25
9	Net Profit ratio (%) Total Comprehensive Income / Total Income	(c)	**3.08%**	1.90%
10	Return on Capital Employed EBIT /Capital Employed	(a) & (c)	**13.83%**	7.88%
11	Return on Investment Dividends+Fair Value changes in Current Investments /Current Investments	(c)	**9.40%**	-0.36%

Note :

(a) There are improvements in the leverage ratios primarily due to increase in profitability and reduction of debt during the year

(b) There are improvements in the Working Capital ratios primarily due to increase in turnover during the year

(c) There are improvements in the profitability ratios primarily due to increase in total income & profitability during the year.

(d) Due to repayment of debt DSCR was low

(48) I Disclosure of transaction with struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with the Company struck-off under section 248 of the Companies Act, 2013.

Rs. in crore

Name of struck off Company	Nature of transactions with struck-off Companies	Relationship with the struck-off Company	Balance as on March 31, 2023	Balance as on March 31, 2022
Amardeep Metals(ST.)	Sale of goods	Customer		-
Yogeshwar Industries	Sale of goods	Customer		-
Anupam Steels	Sale of goods	Customer		0.01
Abb Power Private Limited	Purchase of goods	Vendor	-	-
Melfrank Engineers	Purchase of goods	Vendor	-	-
Prompt Security Services	Services received	Vendor	-	(0.00)
Pals Specalised Tooling System Private Limited	Purchase of goods	Vendor	-	(0.01)

Notes Forming Part of Standalone Financial Statements (Contd.)

Details of other struck off entities holding equity shares in the Company is as below:

(Amount in Rs)

Name of struck off Company	**No's of Shares Held 31-Mar-23**	**Paid-up Capital As at 31-Mar-23**	No's of Shares Held 31-Mar-22	Paid-up Capital As at 31-Mar-22
Satidham Industries Pvt.ltd.	**8,200**	**82,000**	8,200	82,000
Ronak Fabrics Pvt. Ltd	**1,500**	**15,000**	1,500	15,000
Global Emerging Markets India Ltd	**486**	**4,860**	486	4,860
Alcozin India Pvt Ltd	**121**	**1,210**	101	1,010
Gagan Trading Co Ltd	**80**	**800**	80	800
Popular Stock & Share Services Ltd	**80**	**800**	80	800
Atlantic Securities Pvt Ltd	**24**	**240**	24	240
Dhurmal Bajaj Hld. & Tra. Pvt Ltd	**23**	**230**	-	-
Vaishak Shares Limited	**3**	**30**	3	30
Splash Technologies Pvt Ltd	**-**	**-**	1	10

II The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

III The Company have no 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).

IV The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

V The Code on Social Security, 2020 (‘Code’) has been notified in the Official Gazette in September 2020 which could impact the contribution by the Company towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.

VI Disclosure with respect to monthly / quarterly statement of Current assets filed with Bank

The Company has not availed any secured loans facilities from bank, hence the company is not required to file monthly/quarterly returns or statements with the banks.

VII In view of the aggregate losses as calculated in accordance Sec 135 and 198 of the companies Act,2013 during last 3 years immediately preceding financial years, the Company is not required to incur any expenditure in pursuance of the CSR policy for the FY 2022-23.(Previous year : NIL).

(49) ACCOUNTING FOR THE SCHEME OF AMALGAMATION

Petitions filed with National Company Law Tribunal (NCLT) for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited (MGFL) with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited (MEL), an Associate with the Company has been approved by NCLT on April 29, 2022 and a certified copy of the order has been filed with the Registrar of Companies, Mumbai Maharashtra, on May 31, 2022. The Scheme is made effective from the appointed date April 1, 2019.

Though the appointed date of MGFL for amalgamation as per the NCLT approved Scheme is April 1, 2019, as per the requirements of Appendix C to Ind AS 103 “Business Combination”, the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts relating to the year 2021-2022 includes the impact of the business combination and the corresponding amounts for the corresponding financial year presented have been restated after recognising the effect of the amalgamation as above.

As regards amalgamation of MEL, an associate, amalgamated from appointed date April 1, 2019 being acquisition date in terms of the NCLT approved Scheme, as per accounting treatment as approved by NCLT, the Company has partially adjusted the difference arising between the consideration paid and aggregate of fair value of net assets taken over as on the appointed date against balance of the Securities Premium arising pursuant to the Scheme in the books of Company.

In accordance with the Scheme of Amalagamation, 30,89,702 equity shares having face value of Rs 10/- each have been allotted to the shareholders of erstwhile Mukand Engineers Limited on June 17, 2022.

Notes Forming Part of Standalone Financial Statements (Contd.)

The effect of both the amalgamation on the amounts of Revenue and Profit after tax published in previous year are as shown below

Rs. in crore

Particulars	Year ended 31, 2022
Revenue from operations:	
As published in previous periods	4,623.19
As restated for the effect of amalgamation	4,642.93
Profit after tax:	
As published in previous periods	122.12
As restated for the effect of amalgamation	91.62

(50) Previous year's figures have been regrouped/recast/restated wherever necessary.

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI FR No. 103525W

Atul Paliwal
Partner
Membership No. 401969

Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Mumbai, May 16, 2023

Independent Auditor's Report

To the Members of Mukand Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Mukand Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associates and joint venture, comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS 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 auditor(s) on separate Ind AS financial statements and on the other financial information of the subsidiary and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2023, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 Ind AS Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matter section below, other than the unaudited financial statements as certified by the management as referred to in sub-paragraph (b) of the Other Matter section below and the financial information not available as referred to in sub-paragraph (c) of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the consolidated Ind AS financial statements:

Note 53 to the Consolidated Ind AS Statement which describes the accounting for the Scheme of Amalgamation interalia between the Company and Mukand Global Finance Limited (MGFL), a wholly owned subsidiary of the Company. The Scheme has been approved by the National Company Law Tribunal ("NCLT") vide its order dated April 29, 2022 and a certified copy of the order has been filed by the Company with the Registrar of Companies, Mumbai Maharashtra, on May 31, 2022. Though the appointed date as per the NCLT approved Scheme is April 01, 2019, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts relating to the year 2021-2022 includes the impact of the business combination and the amounts for the corresponding financial year presented have been restated by the Company after recognizing the effect of the amalgamation.

Further, in terms of the aforesaid approved Scheme of Amalgamation, Mukand Engineers Limited (MEL), an Associate, also stands amalgamated with the Company from the appointed date April 01, 2019 which is also acquisition date. In terms of the accounting treatment as approved by NCLT, the Company has partially adjusted difference arising between the consideration paid and aggregate of fair value of net assets taken over against balance of the Securities Premium arising in the books of the Company pursuant to the Scheme. This accounting treatment although is different from that prescribed under the Ind AS 103, is in conformity with the accounting principles generally accepted in India, as the same has been approved by the NCLT.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the Key Audit Matter:
1. Revenue recognition (Refer Note 26 of the consolidated financial statements) The Holding Company recognizes revenue from sale of goods when control over the goods is transferred to the customer. The terms of sales arrangements, including the timing of transfer of control delivery specifications, creates complexity and judgment in determining timing of revenue recognition. The actual point in time when revenue is recognized varies depending on the terms and conditions of the sale contracts entered into with customers. There exist a risk that revenue is recognised during the cut off period though the control may not have been passed to the customers. The Holding Company also generates part of its revenue from long term construction / project related activity and contracts for supply / commissioning of plant and equipment which is accounted under the percentage of completion method ("POC"), which is the proportion of cost of work performed to-date, to the total estimated contract costs. Determination of revenue under POC requires significant judgements and estimates in particular with respect to estimation of the cost to complete the projects. Due to estimates, judgements and complexity involved in application of the revenue recognition standards, we have considered this matter as a key audit matter.	We have performed the following procedures among others: • Assessed the holding company's accounting policies relating to revenue recognition by comparing the same with applicable accounting standard. • Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete the project including the review and approval of estimated project cost. • Verified the contracts on test check basis entered by the Holding Company for the consideration and relevant terms and conditions relating to variations to the cost. • Verified original invoices, purchase orders, receipts, etc. for the actual costs incurred up to the yearend date on test check basis. • Verified that revenue has been recognised as per the agreed terms and when the conditions for revenue recognitions are satisfied. • Discussed the status of the project, evaluated the reasonableness of the estimates of the cost to be incurred to complete the projects, verified the revision in total cost during the year and obtained the reasons for such revision. • Assessed the adequacy of the disclosures made in respect of revenue from sale of goods and the undergoing engineering projects of the Company.
Key audit matter	**How our audit addressed the Key Audit Matter:**
2. Accounting for the Scheme of Amalgamation: (Refer Note 53 of the consolidated financial statements) The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated April 29, 2022, has approved the Scheme of Amalgamation of Adore Traders & Realtors Private Limited ("Adore") with the parent Mukand Global Finance Limited ("MGFL") followed by the amalgamation of MGFL and Mukand Engineers Limited ("MEL") with the Company. The Scheme is made effective from the appointed date April 01, 2019. Certified copy of the NCLT order has been filed with the Registrar of Companies, Mumbai, on May 31, 2022. Amalgamation with MGFL, being under common control, has been accounted by the Company under pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. Amalgamation with MEL, an associate of the Company, has been accounted by the Company under acquisition method in accordance with Ind AS 103. We considered the above as a key audit matter as this is a significant non routine transaction during the year and as it involves significant amounts including exercise of judgement and interpretation of the relevant accounting standards and applicable tax and other statues / regulations.	We have performed the following procedures among others: • Understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of both the business combination. • Read and assessed the provisions of the Scheme and the NCLT order submitted with ROC. • Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme. • Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance. • Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same. • Traced the assets, liabilities, tax losses of amalgamated entities from the audited special purpose financial statements received from the other auditors. • Verified the Purchase Price Allocation study report issued by an independent firm of Chartered Accountant to ensure that assets and liabilities of MEL recorded are as per the fair value given in the PPA report. • Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements.

Other Information

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

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 changes in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including Ind AS prescribed 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 and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture 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 including its associates and joint venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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, its subsidiary companies, associate companies and joint venture companies, which are companies incorporated in India, have 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 ability of the Group and its associates and joint ventures 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 Ind AS 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 and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. The consolidated Ind AS financial statement includes the financial statements of one (1) Joint venture, whose financial statements reflects Group's share of total net profit (including other comprehensive income) after tax of Rs. Nil for the year ended March 31, 2023 as considered in the consolidated Ind AS financial statements, which have been audited by its independent auditor. The independent auditor's reports on financial statements of the above entity have been furnished to us by the management and our opinion on the consolidated Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of this entity and our report in terms of Section 143(3) of the Act, is based solely on the reports of such auditor.

b. The consolidated Ind AS financial statement includes the financial information of one (1) associate, whose financial information reflects Group's share of total net loss (including other comprehensive income) after tax of Rs. 0.03 crores for the year ended March 31, 2023, as considered in the consolidated Ind AS financial statements. This financial information is unaudited and have been furnished to us by the Board of Directors and our opinion on the consolidated Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of Section 143(3) of the Act is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, this financial information is not material to the Group

c. The financial information of one (1) associate is not available and have not been furnished to us by the Management. In absence of the aforesaid financial information, the Group's share of total comprehensive income of this associate company for the year ended March 31, 2023 have not been included in the consolidated financial statements. Accordingly, we do not report in terms of Section 143(3) of the Act insofar to the extent these relate to the aforesaid associate company. According to the information and explanations given to us by the Management, these financial information are not material to the Group.

d. The financial statements of the amalgamating entities and the demerged joint venture relating to year ended March 31, 2022 included in the accompanying consolidated Ind AS financial statements as restated pursuant to Scheme of Amalgamation and the Scheme of Arrangement as explained in Note 53 were audited by other auditors, as adjusted for the accounting effects of the Scheme of Amalgamation and the Scheme of Arrangement recorded by the Company and other consequential adjustments, which were not subject to audit by us.

e. The financial statements of Mukand Sumi Metal Processing Limited as included in the consolidated Ind AS financial statement for the year ended March 31, 2022 were audited and reported by the previous auditor, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the consolidated Ind AS financial statement.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements/financial informations certified by the management.

Report on Other Legal and Regulatory Requirements

(1) With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and taking into consideration the reports of other auditors on separate Ind AS financial statements of subsidiary and joint venture, included in the consolidated Ind AS financial statements of the Holding Company, to which reporting under CARO is applicable, we report as under:

Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements are:

Sr. No.	Name	CIN	Holding company / subsidiary / associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Mukand Limited	L99999MH1937PLC002726	Holding Company	iii(b), iii(c), iii(d), iii(e) and iv
2	Mukand Sumi Metal Processing Limited	U27300MH2012PLC234000	Wholly owned subsidiary	ii(b) and xvii

(2) As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate Ind AS financial statements and the other financial information of subsidiary and joint venture, as noted in the Other Matters section above 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 of the aforesaid consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture, incorporated in India, none of the directors of the Group and joint venture incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company, its associate companies and joint venture company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 1";

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture company incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, subsidiary company and joint venture company incorporated in India is in accordance with the provisions of section 197 of the Act;

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

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture – Refer Note 37 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and joint venture company incorporated in India, except for minor delay as disclosed below by the Holding Company:

Sr. No.	Nature of Dues	Amount Transferred (in Rs.)	Last Date of Transfer	Actual Date of Transfer
1	Public Deposits	Rs. 80,000	03-02-2023	07-02-2023
2	Public Deposits	Rs. 35,000	02-07-2022	07-07-2022

iv. a) Based on our audit report on separate Ind AS financial statements of the Holding Company, and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary company and joint venture company, incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiary and joint venture, have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) Based on our audit report on separate Ind AS financial statements of the Holding Company and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary company and joint venture company, incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiary and joint venture, have represented that, to the best of their knowledge and belief, no funds have been received by the Group and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and joint venture 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;

c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of reports of the other auditors on separate Ind AS financial statements of the subsidiary company and joint venture company, incorporated in India, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in the consolidated Ind AS financial statements:

a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in compliance with section 123 of the Act.

b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with section 123 of the Act.

Further, based on the audit reports of the subsidiary company and joint venture company, incorporated in India, those entities have not declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 01, 2023, reporting under this clause is not applicable.

For DHC & Co

Chartered Accountants

ICAI Firm Registration No.103525W

Atul Paliwal
Partner
Membership No. 401969
UDIN: 23401969BGYJDV6184

Place : Jaipur
Date : May 16, 2023

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Mukand Limited** on the consolidated Ind AS financial statements for the year ended March 31, 2023]

Report on the Internal Financial Controls with reference to Consolidated Financial Statements 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 Ind AS financial statements of **Mukand Limited** ("Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary company, its associate companies and joint venture company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company, its associate companies and joint venture company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements 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 (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of Holding Company, its subsidiary company, its associate companies and joint venture company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with 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 the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company, its subsidiary company and joint venture company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports 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 in so far as it relates to one (1) subsidiary and one (1) joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For DHC & Co.

Chartered Accountants

ICAI Firm Registration No.103525W

Atul Paliwal
Partner
Membership No.: 401969
UDIN: 23401969BGYJDV6184

Place: Jaipur
Date: May 16, 2023

Consolidated Balance Sheet as at 31st March, 2023

(Rs. in crore)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022 (Restated)*
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant And Equipment	2 (i)	**456.21**	464.07
(b) Capital Work-In-Progress	2 (ii)	**29.72**	32.34
(c) Right of Use Assets	2 (iv)	**-**	15.12
(d) Goodwill	2 (iii)	**30.00**	-
(e) Intangible Assets	2 (iii)	**2.28**	4.67
(f) Investment in Joint Ventures and Associates	3.A	**-**	127.32
(g) Financial Assets			
i) Investments	3.B	**1.35**	1.13
ii) Other Financial Assets	5	**18.43**	26.93
(h) Deferred Tax Assets	6	**70.76**	92.22
(i) Income Tax Assets (Net)	7	**45.80**	42.49
(j) Other Non-Current Assets	8	**34.10**	52.24
Total Non-Current Assets		**688.65**	**858.53**
2 Current Assets			
(a) Inventories	9	**1,549.35**	1,460.90
(b) Financial Assets			
i) Current Investment	4	**157.59**	-
ii) Trade Receivables	10	**462.91**	492.15
iii) Cash and Cash Equivalents	11	**39.36**	42.30
iv) Bank Balances Other Than (Iii) Above	12	**2.43**	167.46
v) Loans	13	**50.57**	52.51
vi) Other Financial Assets	14	**78.93**	144.41
(c) Other current assets	15.a	**129.21**	198.36
Total Current Assets		**2,470.35**	2,558.09
3 Asset Held For Sale	15.b	**18.81**	107.85
Total Assets		**3,177.81**	3,524.47
II. EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	16	**144.51**	144.51
(b) Other Equity	17	**709.27**	521.95
Total Equity		**853.78**	666.46
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	18	**1,448.39**	885.69
ii) Other Financial Liabilities	19	**0.25**	0.25
(b) Provisions	20	**63.20**	40.71
Total Non-Current Liabilities		**1,511.84**	926.65
2 Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	21	**56.23**	1,150.58
ii) Trade Payables Due to:	22		
Micro and Small Enterprises		**29.25**	13.11
Other than Micro and Small Enterprises		**506.93**	495.28
iii) Other Financial Liabilities	23	**44.65**	41.26
(b) Other Current Liabilities	24	**166.95**	219.65
(c) Provisions	25	**8.18**	11.48
Total Current Liabilities		**812.19**	1,931.36
Total Equity and Liabilities		**3,177.81**	3,524.47
Significant Accounting Policies	1		
Notes forming part of Consolidated Financial Statements	2-54		

*Refer Note 53 for Restatement on account of amalgamation

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969

Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer

Rajendra Sawant
Company Secretary

Mumbai, May 16, 2023

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(Rs. in crore)

	Particulars	Note No.	Year Ended 31st March, 2023	Year Ended 31st March, 2022 Restated *
I.	**Revenue from Operations**	26	**5,567.60**	4,642.97
II.	**Other income**	27	**585.19**	109.61
III.	**Total Income (I + II)**		**6,152.79**	4,752.58
IV.	**Expenses:**			
(a)	Cost of materials consumed	28	**3,954.22**	3,105.77
(b)	Purchases of Stock-in-Trade		**1.07**	2.47
(c)	Changes in inventories of Finished Goods and Work-in-Progress	29	**(33.17)**	(206.92)
(d)	Employee benefits expense	30	**204.75**	202.50
(e)	Finance costs	31	**176.97**	161.25
(f)	Depreciation and amortization expense	32	**52.38**	45.35
(g)	Other Expenses	33	**1,619.58**	1,307.42
(h)	Expenditure transferred to Capital Accounts / Capital Work-in-Progress		**(1.79)**	(6.32)
	Total expenses		**5,974.01**	4,611.52
V.	**Profit before Tax and Share in Profit of Associates and Joint Ventures (III-IV)**		**178.78**	141.06
	Add: Share in Profit of Associates and Joint Ventures		**(6.51)**	9.90
VI.	**Profit before Tax**		**172.27**	150.96
VII.	**Tax expense:**	34		
	Deferred Tax (Expense) / Credit		**3.50**	25.35
	Excess / (Short) provision for tax in respect of earlier years		**(3.99)**	-
	Total Tax Expense		**(0.49)**	25.35
VIII.	**Profit for the year (VI - VII)**		**171.78**	176.31
IX.	**Other Comprehensive income (net)**			
1	**Items that will not be reclassified to Statement of Profit & Loss :-**			
	(i) Actuarial Gain on Employee defined benefit funds		**(0.27)**	-
	(ii) Net gains on Fair value changes of Equity Instruments		**-**	(2.40)
	Less : Deferred tax Expense		**0.67**	0.60
	(ii) Share of other comprehensive income of investments accounted for using the equity method, net of tax.		**-**	0.02
2	**Items that will be reclassified to Statement of Profit & Loss :-**			
	Exchange Fluctuation on Translating Foreign Operation		**0.04**	0.16
	Total Other Comprehensive income (net)		**0.44**	(1.62)
X.	**Total Comprehensive Income for the year (VIII + IX)**		**172.22**	174.69
XI.	**Weighted average number of Equity Shares outstanding during the year (Face Value of Rs. 10 each)**		**144,495,563**	144,495,563
	Basic and diluted earnings per share (in Rs.)	35	**11.89**	12.20

Significant Accounting Policies	1	
Notes forming part of Consolidated Financial Statements	2-54	

*Refer Note 53 for Restatement on account of amalgamation

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969
Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer
Mumbai, May 16, 2023

Rajendra Sawant
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity share capital (refer Note No. 16)

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022 (Restated)*
Balance at the end of the reporting year	**144.51**	144.51
Balance at the beginning of the reporting year	**144.51**	144.51

There are no changes in Equity Share Capital due to prior period errors

B Other Equity (refer Note No. 17)

(Rs. in crore)

Particulars	Reserve and Surplus					Other Comprehensive Income (OCI)			Total
	Securities Premium Reserve	Capital Redemption Reserve	Capital Reserve**	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity instruments through OCI	Remeasurement of defined benefit obligation through OCI	
Balance as at 31st March, 2022(Restated)*	**100.22**	**3.00**		**169.66**	**245.37**	**1.04**	**0.71**	**1.95**	**521.95**
Profit for the year	-	-	-	-	171.78	-	-	-	171.78
Other comprehensive income (net of tax)	-	-	-	-	-	0.04	-	0.40	0.44
Share issue expenses	-	-	-	-	-	-	-	-	-
Equity Dividend	-	-	-	-	(21.67)	-	-	-	(21.67)
Transfer to Other Reserve	-	-	-	-	1.08	(1.08)	-	-	-
Other Adjustment	-	-	-	-	(28.55)	-	-	-	(28.55)
Adjustment arising out of consolidation	-	-	-	3.77	60.06	-	1.49	-	65.32
Balance as at 31st March, 2023	**100.22**	**3.00**		**173.43**	**428.07**	**-**	**2.20**	**2.35**	**709.27**
Balance as at 31st March, 2021(Restated)*	100.22	3.00		169.66	82.91	1.73	4.50	(0.90)	361.12
Profit for the year	-	-	-	-	176.31	-	-	-	176.31
Other comprehensive income (net of tax)	-	-	-	-	-	0.16	-	(1.78)	(1.62)
Share issue expenses	-	-	-	-	-	-	-	-	-
Equity Dividend	-	-	-		(14.14)	-	-	-	(14.14)
Transfer to Other Reserve	-	-	-	-	-	-	-	-	-
Adjustment arising out of consolidation	-	-	-	-	0.29	(0.85)	(3.79)	4.63	0.28
Balance as at 31st March, 2022 (Restated)*	100.22	3.00		169.66	245.37	1.04	0.71	1.95	521.95

** Capital Reserve is Rs. 47,439/-

There are no changes in Equity Share Capital due to prior period errors.

*Refer Note 53 for Restatement on account of amalgamation

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969
Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer
Mumbai, May 16, 2023

Rajendra Sawant
Company Secretary

Consolidated Statement of Cash flow for the year ended 31st March, 2023

(Rs. in crore)

Particulars		For the year ended		
	31st March 2023		31st March 2022 (Restated)*	
A CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before exceptional items and tax		**178.78**		141.06
Adjustments for:				
Depreciation/amortisation/Impairment Expenses	**52.38**		45.35	
Surplus on account of sale of assets/Land	**(552.86)**		(22.62)	
Loss on sale of assets	**11.72**		0.61	
Net gains on Fair value changes/Disposal of Equity Instruments	**18.19**		(76.76)	
Interest expense (net)	**164.53**		152.20	
Dividend Income	**(0.02)**		(0.01)	
Credit balances appropriated	**(0.02)**		(1.09)	
Excess provisions written back (net)	**(0.21)**		(0.48)	
Other Non Cash Items (net)	**190.42**		(0.18)	
Provision for warranty	**0.30**		0.58	
Provision for Long Term & Short Term Employee Benefits	**18.89**		(2.86)	
Loss on variation in foreign exchange rates (net)	**(15.89)**		(3.76)	
Cash Generated from operations before working capital changes		**(112.57)**		90.97
		66.21		232.04
Adjustments for:				
(Increase)/decrease in inventories	**(88.45)**		(325.85)	
(Increase)/Decrease in trade receivables	**(50.33)**		44.61	
(Increase)/Decrease in other non-current & current financial assets	**225.19**		(106.95)	
(Increase)/Decrease in other non-current & current assets	**(43.70)**		(65.26)	
Increase/(Decrease) in trade payables	**28.02**		69.03	
Increase/(Decrease) in other non-current & current financial liabilities	**29.22**		(13.51)	
Increase/(Decrease) in other non-current & current liabilities	**(52.69)**		76.98	
Increase/(Decrease) in non-current & Current provisions	**(0.26)**		-	
Cash generated from operations		**47.00**		(320.95)
		113.21		(88.92)
Taxes paid (net of refunds)		**(7.30)**		(12.89)
Net cash generated from operating activities - [A]		**105.91**		(101.81)
B CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Property Plant & Equipment	**(60.96)**		(245.16)	
Sale proceeds of Property Plant & Equipment	**680.61**		27.49	
Sale proceeds of Investments	**-**		497.16	
Repatiation of Fund due to reduction in Share capital of MIFZE	**(0.85)**		-	
Dividend Income	**0.02**		0.01	
Net cash (used in) / generated from investing activities - [B]		**618.82**		279.50

Consolidated Statement of Cash flow for the year ended 31st March, 2023

(Rs. in crore)

Particulars	For the year ended 31st March 2023		31st March 2022 (Restated)*	
C CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of Preference Shares	-		3.38	
Dividend Paid	(21.67)		(14.09)	
Payment towards part redemption of Preference Shares	-		(3.38)	
Increase/(Decrease) in working capital loans from bank	(72.02)		66.35	
Increase/(Decrease) in other unsecured loans (net)	(486.40)		(131.32)	
Increase/(Decrease) in Fixed Deposits taken	26.76		16.39	
Interest paid/Expenses related to issue of shares	(174.34)		(103.23)	
Net cash (used in) financing activities - [C]		(727.67)		(165.90)
Net (decrease) in cash and cash equivalents - [A+B+C]		(2.94)		11.79
Add: Cash and cash equivalents at the beginning of the year - (Note No. 11)		42.30		30.51
Cash and cash equivalents at the end of the year - (Note No. 11)		39.36		42.30
Significant accounting policies	1			
Notes forming part of Consolidated Financial Statements	2 - 54			

*Refer Note 53 for Restatement on account of amalgamation

Note:

1. In Part A of the Statement of Cash Flows, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.
2. The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7-Statement of Cash Flows.

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969
Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer
Mumbai, May 16, 2023

Rajendra Sawant
Company Secretary

Notes forming part of consolidated financial statements.

GROUP OVERVIEW

The consolidated financial statements comprise of Mukand Limited (“the Company”, “holding company”, “parent”), its subsidiaries, associates and joint ventures (collectively, “the Group”) for the year ended 31st March, 2023.

The Company is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of special alloy steel / stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment, other industrial machinery, comprehensive engineering services, construction/erection. The registered office of the Company is located at Bajaj Bhawan, Jamnalal Bajaj Marg 226, Nariman Point, Mumbai. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors of holding company on May 16, 2023.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE GROUP

(a) Basis of preparation

(i) These consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

1) Certain financial assets and liabilities that are measured at fair value and amortised cost.
2) Assets held for sale - measured at the lower of carrying amount or fair value less costs to sell.
3) Defined benefit plans - plan assets measured at fair value.
4) Measurement of derivative financial instruments

The consolidated financial statements are presented in Indian Rupees (‘Rs.’) which is Company’s functional and presentation currency and all values are rounded to nearest crore upto two decimal, except when otherwise indicated.

(ii) Current versus Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle i.e. 12 months.
- Held primarily for purpose of business
- Expected to be realized 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 current when:

- It is expected to be settled in normal operating cycle i.e. 12 months.
- It is held primarily for purpose of business
- 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.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over

Notes forming part of consolidated financial statements (Contd.)

the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Intra-group balance and transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and the liabilities of the subsidiary and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date on which control is lost. Any resulting gain or loss is recognised in consolidated Statement of Profit and Loss.

(iii) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement, rather than rights of its assets and obligation for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) Business combinations

In accordance with Ind AS 103, Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combinations as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at fair value on its acquisition date and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group (referred as common control business combinations) are accounted for using the pooling of interest method except in case the control is transitory. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in financial statements of the Group in the same form in which they appeared in the consolidated financial statements of the transferor entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(c) Property, Plant and Equipment (PPE)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non refundable taxes and duties after deducting trade discounts/rebates, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Notes forming part of consolidated financial statements (Contd.)

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment has been provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013 except for Continuous Process Plant where useful life is considered as 18 years as per technical evaluation. Further office equipments of ECD, the useful life has been estimated as 20 years (on a single shift basis) against 5 years as per schedule II of the Act, based on independent technical valuation. Depreciation commences when the assets are ready for their intended use. Depreciation in respect of assets used for long term engineering contracts is provided on the estimated useful life of the assets.

Depreciation commences when the assets are ready for their intended use.

Depreciation in respect of assets used for long term engineering contracts is provided on the estimated useful life of the assets.

Assets costing less than Rs. 5,000/- are fully depreciated at the rate of 100% in the year of purchase.

Gains and Losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

(d) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

Intangible Assets under Implementation includes cost of such assets under installation / under development as at the balance sheet date.

Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Useful life of 3 years is considered for amortisation of intangible assets - Computer Software.

Gains and Losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

(e) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(f) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group lease asset classes primarily consist of leases for land and buildings and vehicles. 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.

At the date of commencement of the lease (i.e. the date the underlying asset is available for use), the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes 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 ROU 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 received. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the lease term. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Notes forming part of consolidated financial statements (Contd.)

At the commencement date of the lease, the Group recognises lease liability measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease Liability and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases 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.

(g) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

Transaction costs relating to borrowings are considered under effective interest rate method.

(h) Impairment of Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

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

Initial Recognition & Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

Notes forming part of consolidated financial statements (Contd.)

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortised cost
- Equity instruments at fair value (either through profit or loss or through other comprehensive income, if designated)

Where assets are measured at fair value, gains and losses are either recognised entirely in the Consolidated Statement of Profit and Loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) **Business Model Test:** The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) **Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) 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 EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following conditions are met:

a) **Business Model Test:** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in the Consolidated Statement of Profit and Loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument which does not meet the criteria for amortised cost or FVTOCI is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in the Consolidated Statement of Profit and Loss and presented net in the Consolidated Statement of Profit and Loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity Instruments

For all equity instruments, the Group may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Preference Instruments are stated at amortised costs.

Derecognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

Notes forming part of consolidated financial statements (Contd.)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(II) Equity & Financial Liabilities

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

(i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories:

- At amortised cost
- At fair value through profit or loss (FVTPL)

Financial liabilities at amortised cost

The Group classifies the following under amortised cost:

- Borrowings from banks
- Borrowings from others
- Trade payables
- Lease Deposits
- Lease Liability

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liabilities at fair value through profit or loss

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition of financial liabilities

A financial liability is removed from the Consolidated Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another 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 Consolidated Statement of Profit and Loss.

(III) Financial guarantees contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the

Notes forming part of consolidated financial statements (Contd.)

terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(IV) Derivative financial instruments

Derivative financial instruments such as forward contracts are taken by the group to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Consolidated Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

(V) Offsetting of financial instruments

Financials assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(j) Fair value measurement

The Group measures financial instruments, such as, certain investments and 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated 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.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value (NRV). Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Raw 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 at or above cost. The cost formulae used for determination of cost is 'First in First Out' for Raw Materials and 'Weighted Average Cost' for Stores and Spares.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Consolidated Statement of Profit and Loss as and when issued for consumption.

The inventories resulting from intra-group transactions have been stated at cost after deducting unrealised profit on such transactions.

(l) Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Group's liability for current tax is calculated using the Indian (foreign country tax rate as applicable) tax rates and laws that has been enacted by the reporting date. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax

Notes forming part of consolidated financial statements (Contd.)

rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is not recognized for temporary differences related to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(m) Provisions and Contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.The amount recognised as provision are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities & Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognized in the Consolidated Financial Statements. If the inflow of economic benefits is probable, then it is disclosed in the Consolidated Financial Statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(n) Employee Benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the Consolidated Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

Notes forming part of consolidated financial statements (Contd.)

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as superannuation scheme, provident fund.

Gratuity Obligations

The liability or asset recognised in the Consolidated 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 cost method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement 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.

Defined Contribution plans

Defined Contribution Plans such as provident and other fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

(o) 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 monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the Consolidated Financial Statements. The operating segments have been identified on the basis of the nature of products/ services.

(p) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(r) Earnings Per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

the profit attributable to owners of the group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of

Notes forming part of consolidated financial statements (Contd.)

their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Consolidated Statement of Profit and Loss.

The criteria for "held for sale" classification is regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Balance Sheet.

(t) Dividend distribution to equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(u) Foreign currencies

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at average exchange rates

On Consolidation, Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

(v) Revenue Recognition

The Group mainly deals in manufacture of special alloy steel/ stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment ,other industrial machinery,rendering of comprehensive engineering services, construction and erection.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Revenue from sale of products and services is recognised at a time when the performance obligation is satisfied except Revenue from Engineering Contracts where in revenue is recognized over the time from the financial year in which the agreement to sell (containing salient terms of agreement to sell) is executed. The period over which revenue is recognised is based on entity's right to payment for performance completed.

In determining whether Company has right to payment, the Company shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

The revenue recognition of Engineering Contracts under progress requires forecasts to be made of total budgeted costs with the outcomes of underlying contracts, which further require assessments and judgements to be made on changes in scope of work and other payments to the extent they are probable and they are capable of being reliably measured. However,

Notes forming part of consolidated financial statements (Contd.)

where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of Profit and Loss.

Revenue from Engineering Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenues in excess of invoicing are classified as contract assets (which is referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred to as unearned revenues). The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Engineering Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event, transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and Company has an enforceable right to payment for performance completed to date.

In case of performance obligations, where any of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Export incentives

Export Incentives under various schemes are accounted in the year of export.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(w) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

(x) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

(y) Significant accounting estimates, judgements and assumptions

The preparation of the group's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

i. **Useful lives of property, plant and equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per management estimate for certain category of assets. Assumption also needs to be made, when group assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

Notes forming part of consolidated financial statements (Contd.)

ii. **Use of significant judgements in revenue recognition:** The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

Revenue from Engineering Contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

iii. **Fair value measurement 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 appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iv. **Defined benefit plan:** The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

vi. **Allowances for inventories:** Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

vii. **Impairment of non-financial assets:** The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units ('CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Company as it is not possible to predict the outcome of pending matters with accuracy.

ix. **Leases:** 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 several 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. That is, it considers all relevant factors

Notes forming part of consolidated financial statements (Contd.)

that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

x. **Provision for income tax and deferred tax assets:** The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(z) i. Recent Indian Accounting Standards (Ind AS) issued not yet effective:

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

a. Amendment to Ind AS 1 "Presentation of Financial Instruments"

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect his amendment to have any significant impact in its financial statements.

b. Amendment to Ind AS 12 "Income Taxes"

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c. Amendment to Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes forming part of consolidated financial statements (Contd.)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT, CWIP & INTANGIBLE ASSETS.

(Rs. in crore)

	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK
Particulars	As at 01st April, 2022	Additions/ Adjustments on conversion of JV into Subsidiary	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2023	As at 01st April, 2022	Additions/ Adjustments on conversion of JV into Subsidiary	Depreciation for the year	Deductions/ Adjustments	As at 31st March, 2023	As at 31st March, 2023
i) **Property Plant & Equipment**											
Freehold Land	75.33	-	8.00	27.70	55.63	-	-	-	-	-	55.63
Railway Siding	13.82	-	-	-	13.82	12.01	-	1.00	-	13.01	0.81
Buildings and Roads	186.50	1.26	7.49	14.16	181.09	114.20	1.08	4.80	3.80	116.30	64.79
Plant and Machinery	1,270.13	31.59	50.36	13.37	1,338.71	958.71	19.50	43.38	13.27	1,008.32	330.39
Furniture, Fixtures, etc.	4.85	-	0.83	0.22	5.46	3.65	-	0.21	0.15	3.71	1.75
Office Machinery	6.12	0.49	1.27	0.10	7.78	4.86	0.49	0.29	0.08	5.56	2.22
Vehicles	1.73	-	-	0.28	1.45	0.98	-	0.12	0.27	0.83	0.62
Total	1,558.48	33.34	67.95	55.83	1,603.94	1,094.41	21.07	49.80	17.57	1,147.73	456.21
ii) **Capital Work-in-Progress****										-	29.72
iii) **Right of Use of Assets**											
Leasehold Land (Refer Note No. 39)	15.68	-	-	15.68	-	0.56	-	0.18	0.74	-	-
Total	15.68	-	-	15.68	-	0.56	-	0.18	0.74	-	-
iv) **Intangible Assets**											
Software	15.35	24.29	0.01	-	39.65	10.68	24.29	2.40	-	37.37	2.28
Goodwill (Refer note 53 (ii))	14.40	2.77	27.23	-	44.40	14.40	-	-	-	14.40	30.00
Total	29.75	27.06	27.24	-	84.05	25.08	24.29	2.40	-	51.77	32.28
Total (i) + (ii) + (iii) + (iv)	1,603.91	60.40	95.19	71.51	1,687.99	1,120.05	45.36	52.38	18.31	1,199.50	518.21

Notes forming part of consolidated financial statements (Contd.)

NOTE 2 : PROPERTY PLANT & EQUIPMENT, CWIP & INTANGIBLE ASSETS

(Rs. in crore)

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 01st April, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2022	As at 01st April, 2021	Depreciation for the year	Deductions/ Adjustments	As at 31st March, 2022	As at 31st March, 2022
i) Property plant & equipment									
Freehold Land	12.23	63.49	0.39	75.33	-	-	-	-	75.33
Railway Siding	13.82	-	-	13.82	11.01	1.00	-	12.01	1.81
Buildings and Roads	186.65	5.24	5.39	186.50	112.10	4.74	2.64	114.20	72.30
Plant and Machinery	1,257.89	14.57	2.33	1,270.13	924.16	36.42	1.87	958.71	311.42
Furniture, Fixtures, etc.	5.87	0.09	1.11	4.85	4.13	0.23	0.71	3.65	1.20
Office Machinery	6.52	0.20	0.60	6.12	5.07	0.18	0.39	4.86	1.26
Vehicles	5.31	0.10	3.68	1.73	3.60	0.21	2.83	0.98	0.75
Total	1,488.29	83.69	13.50	1,558.48	1,060.07	42.78	8.44	1,094.41	464.07
ii) Capital Work-in-Progress**									32.34
iii) Right of use									
Leasehold Land Refer Note No. 39	15.68	-	-	15.68	0.37	0.19	-	0.56	15.12
Plant & Machinery Refer Note No. 39	47.62	-	47.62	-	47.62	-	47.62	-	-
Total	63.30	-	47.62	15.68	47.99	0.19	47.62	0.56	15.12
iv) Intangible Assets-									
Software	15.24	0.11	-	15.35	8.30	2.38	-	10.68	4.67
Goodwill	14.40	-	-	14.40	14.40	-	-	14.40	-
Total	29.64	0.11	-	29.75	22.70	2.38	-	25.08	4.67
Total (i) + (ii) + (iii) + (iv)	1,581.23	83.80	61.12	1,603.91	1,130.76	45.35	56.06	1,120.05	516.20

Other Notes :

(i) Property, plant and equipment are free from any encumberances except PPE pertaining to Engineering Construction Division.

(ii) Refer to Note No. 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Property Plant & Equipment include borrowing costs of Rs. 0.74 crore capitalised during the year (March 31, 2022 Rs. 0.42 crore), rate of capitalisation 8.76% (Previous Year 10.50%).

(iv) Capital work in progress comprises of Property Plant & Equipment under construction and pre-operative expenses & interest pending allocation.

(v) Gross Block of Buildings as at March 31, 2023 includes value of offices, residential flats and garages in co-operative societies/proposed co-operative societies/association of apartment owners aggregating Rs. 0.03 crore at cost (March 31, 2022 - Rs. 0.03 crore [including cost of shares in co-operative societies Rs.500 /- (March 31, 2022- Rs.500/-)].

(vi) The Company has not revalued any of its property, plant and equipment including right of use assets or intangible assets.

(vii) The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

(viii) All immovable properties are held in the name of the Company.

Notes forming part of consolidated financial statements (Contd.)

**(2) II PROPERTY PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS

a Ageing of CWIP as on 31st March 2023

(Rs. in crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	15.29	0.65	2.83	0.15	18.92
Projects Temporarily suspended	-	-	-	10.80	10.80
	15.29	**0.65**	**2.83**	**10.95**	**29.72**

(Rs. in crore)

Particulars	
Projects which have exceeded their original timeline	4.83
Projects which have exceeded their original budget	-

b Details of Capital Work-in-Progress whose completion is overdue as compared to its original timeline as at 31st March 2023

(Rs. in crore)

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	4.33	0.50	-	-	4.83

c Details of Capital Work-in-Progress which has exceeded its cost compared to its original budget as at 31st March 2023

There were no projects which exceeded their original budget as at March 31, 2023.

d Ageing of CWIP as on 31st March 2022

(Rs. in crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	12.71	3.11	0.39	1.80	18.01
Projects Temporarily suspended	-	-	-	14.33	14.33
	12.71	3.11	0.39	16.13	32.34

(Rs. in crore)

Particulars	
Projects which have exceeded their original timeline	4.48
Projects which have exceeded their original budget	1.80

e Details of Capital Work-in-Progress whose completion is overdue as compared to its original timeline as at 31st March 2022

(Rs. in crore)

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	4.48	-	-	-	4.48
Total - Projects in Progress	4.48	-	-	-	4.48

Notes forming part of consolidated financial statements (Contd.)

f Details of Capital Work-in-Progress which has exceeded its cost compared to its original budget as at 31st March 2022

(Rs. in crore)

Particulars	To be Completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress					
Projects - Kalwe Steel Plant	1.80	-	-	-	1.80
	1.80	-	-	-	1.80

NOTE 3 A: INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (EQUITY METHOD) - NON CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments in Equity Instruments		
(A) Investments in Joint Ventures (Unquoted)		
(i) Mukand Sumi Metal Processing Limited		
__ (March 31, 2022: 13,923,000) equity shares of Rs. 10/- each fully paid up	**127.32**	163.56
Opening Share of post acquisition accumulated Profit/(Loss)	**-**	(44.39)
Share of Current Profit/(Loss)	**(6.51)**	8.13
Share of Other Comprehensive Income	**-**	0.02
Adjustment on account of Conversion in Subsidiary	**(120.81)**	-
	-	127.32
(ii) Hospet Steels Ltd.		
97,504 (March 31, 2022: 97,504) equity shares of Rs. 10/- each fully paid up	**0.10**	0.10
Share of post acquisition accumulated Profit/(Loss)	**(0.10)**	(0.10)
Share of Current Profit/(Loss)	**-**	-
Share of Other Comprehensive Income	**-**	-
	-	-
Investment in Joint Ventures (A)	**-**	127.32
(B) Investments in Associates (Unquoted)		
(i) Stainless India Limited		
66,78,600 (March 31, 2022: 66,78,600) equity shares of Rs. 10/- each fully paid up	**13.68**	13.68
Opening Share of post acquisition accumulated Profit/(Loss)	**(13.68)**	(13.68)
	-	-
(ii) Bombay Forgings Limited		
39,800 (March 31, 2022: 39,800) equity shares of Rs. 66.67/- each fully paid up	**0.19**	0.19
Opening Share of post acquisition accumulated Profit/(Loss)	**(0.19)**	(0.19)
	-	-
Investment in Associates (B)	**-**	-
Total investment in Joint Ventures and Associates (A + B)	**-**	127.32

Notes forming part of consolidated financial statements (Contd.)

NOTE 3 B: INVESTMENTS - NON-CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Equity Instruments		
Quoted investments carried at Fair value through Profit and Loss		
(i) Bajaj Holdings & Investment Limited		
850 (March 2022: 850) Equity Shares of Rs.10/- each, fully paid up	**0.50**	0.43
(ii) ICICI Bank Limited		
9,625 (March 2022: 9,625) Equity Shares of Rs.2/- each, fully paid up	**0.85**	0.70
Investment aggregating to Rs.0.004 crore (March 2022 : 0.004 crore) is not disclosed above on the basis of materiality.		
Total Other Investments	**1.35**	1.13
Aggregate amount of quoted investments	**1.35**	1.13
Market Value of quoted investments	**1.35**	1.13
Aggregate amount of unquoted investments	**-**	127.32
Aggregate amount of impairment in the value of investments	**-**	-

NOTE 4: INVESTMENTS - CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A) Investment in Equity Instruments-(Unquoted)		
(i) Mukand Sumi Special Steel Limited (MSSSL)		
2,571,150(March 31, 2022: --) equity shares of Rs. 10/- each fully paid up	**147.58**	0.18
Opening Share of post acquisition accumulated Profit/(Loss)/Adjustment due to loss of Control	**-**	421.13
Share of Current Profit/(Loss)	**-**	1.77
Share of Other Comprehensive Income		
Cost of 21.00% MSSSL shares sold	**-**	(423.08)
B) Investment in Mutual Fund		
(i) HDFC Mutual Fund		
(HDFC Overnight Fund DP - Growth -Units- 30,066.938)	**10.01**	-
	157.59	-

During the year, the demerger of cold finished alloy steel bars and wires business from Mukand Sumi Metal Processing Ltd. (MSMPL) to Mukand Sumi Special Steel Ltd. (MSSSL) has been approved by National Company Law Tribunal (NCLT), Mumbai Bench vide its order date June 30,2022. In accordance with the share exchange ratio approved under the Scheme, Company received 2,571,150 shares of MSSSL . After demerger, MSMPL continues to carry on the business of cold finished stainless steel bars and wires. Moreover, in terms of arrangement with Joint Venture partner–Sumitomo Corporation, Japan (SC), Company has purchased 13,377,000 shares of MSMPL from SC at a consideration of Rs.53.11 Crore and MSMPL has become a Wholly Owned Subsidiary of the Company with effect from 30th September 2022.

The Board at its meeting held on November 11,2022 approved the sale 25,71,150 equity shares (5.51%) of Rs.10 each of MSSSL (received during the year pursuant to Scheme of Demerger), to promoter group company(ies) at value not less than Rs. 574/- per share. Subsequent to the close of the year, the Company on May 02, 2023 sold said shares to Jamnalal Sons Private Limited at Rs 574/- per share

NOTE 5: OTHERS FINANCIAL ASSETS - NON CURRENT

(Rs. in crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good unless otherwise stated		
Security & Other Deposits	**18.22**	25.34
Others	**0.21**	1.59
	18.43	26.93

Notes forming part of consolidated financial statements (Contd.)

NOTE 6: DEFERRED TAX ASSETS/LIABILITIES (NET)

(Rs. in crore)

Particulars	At April 01, 2021	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Reserve	At March 31, 2022	Additions/ Adjustments on conversion of JV into Subsidiary	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Reserve	At March 31, 2023
Provision for Employee benefits	10.76	(2.97)	0.61	-	8.40	-	1.67	0.07	-	10.14
Taxes and duties	0.32	(0.20)	-	-	0.12	-	0.08	-	-	0.20
Provision for doubtful debts	22.19	0.52	-	-	22.71	-	19.70	-	-	42.41
Unabsorbed depreciation / Business Loss	275.96	(131.95)	-	-	144.01	-	(31.79)	-	(28.34)	83.88
Difference between book depreciation and tax depreciation	(56.15)	2.93	-	-	(53.22)	-	7.61	-	-	(45.61)
Effect of measurement of Financial Instruments	(140.64)	125.46	0.19	-	(14.99)	-	4.61	(1.22)	-	(11.60)
Others	(31.49)	32.13	-	-	0.64	-	(0.64)	-	-	0.00
Effect of Deferred Tax on CFS adjustments	(14.68)	(0.57)	(0.20)	-	(15.45)	2.71	2.26	1.82	-	(8.66)
	66.27	**25.35**	**0.60**	**-**	**92.22**	**2.71**	**3.50**	**0.67**	**(28.34)**	**70.76**

a) The Group has recognised deferred tax assets on carried forward tax losses. It has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets and it is expected to generate taxable income in near future. The losses can be carried forward for a period of 8 years as per local tax regulations and it expects to recover the losses.

NOTE 7: INCOME TAX ASSETS (NET)

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Payment of Taxes	**83.23**	80.31
Less: Provision for tax	**(37.43)**	(37.82)
	45.80	42.49

NOTE 8: OTHER NON-CURRENT ASSETS

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise specified		
Balance with Government Authorities*	**19.03**	16.69
Capital Advances	**15.07**	35.55
	34.10	52.24

* Includes National Savings Certificates of the cost of Rs 44,000/-(31st March 2022 : Rs. 44,000/-) deposited with government departments.

The Group has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

In the opinion of the Board of Directors, all items of 'Current Assets, Loans and Advances', continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet, unless otherwise stated.

Notes forming part of consolidated financial statements (Contd.)

NOTE 9: INVENTORIES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	**609.51**	577.83
Work-in-progress	**198.41**	208.69
Finished goods	**636.26**	566.85
Stores, Spares, Components and Engineering Construction Materials	**84.13**	81.42
Loose Tools	**0.28**	0.26
Contracts in Progress	**18.14**	23.32
Fuel	**2.62**	2.53
	1,549.35	1,460.90
Included in inventories - goods in transit as follows :		
Raw materials	**104.31**	164.28
Stores, Spares, Components and Engineering Construction Materials	**7.61**	10.53
Work-in-progress	**8.27**	-
Finished goods	**23.60**	13.30
	143.79	188.11

Note (i): Inventories stated above are free from any encumberances , except inventory of Engineering Construction Division and Mukand Sumi Metal Processing Limited (MSMPL).

(ii): Amounts recognised in Statement of Profit and loss:

Write-down of Stores & Spares to net realisable value amounted to Rs. 0.16 crore (31-Mar-22 - Rs. 0.13 crore). These were recognised as an expense during the year and included in the Statement of Profit and Loss.

NOTE 10: TRADE RECEIVABLES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured		
Considered Good	**462.91**	492.15
Considered doubtful	**52.06**	40.83
Less : Provision for Expected Credit loss	**(52.06)**	(40.83)
	462.91	492.15

Note (a): No trade or other receivable are due from Directors or other officers of the Group either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any Director is a partner, or Director or member.

(b): Mukand Ltd in previous years executed road construction projects in the state of Uttar Pradesh with National Highway Authority of India (NHAI) along with Centrodorstroy (CDS), Russia. The net receivables on this account is now at Rs.10.23 Crore as at 31st March 2023 as against Rs.10.29 Crore as at 31st March 2022. In the opinion of the Management, the balance net receivables would be realized from CDS in due course.

(c): The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note No. 48.

(d): Receivables are free from any encumberances,except Trade Receivables of Engineering Construction Division and Mumkand Sumi Metal Processing Limited(MSMPL).

(e): For receivables due from related parties, refer Note No. 43

NOTE 11: CASH AND CASH EQUIVALENTS

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks in current accounts	**36.80**	27.24
Balances in cash credit accounts *	**2.53**	-
Cheques on hand	**-**	15.00
Cash on hand	**0.03**	0.06
	39.36	42.30

There are no restrictions with regards to bank balances as at the end of the reporting period and prior periods.

Notes forming part of consolidated financial statements (Contd.)

*The facilities from the bank are secured by First and exclusive hypothecation charge on all existing and future receivables / current assets / moveable assets / moveable fixed assets of MSMPL. Rate of interest range is between 8.50% - 11.00% p.a. (Previous Year: 8.50% - 11% p.a.)

NOTE 12: OTHER BANK BALANCES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks in		
Preference Share Redemption Account	**0.17**	0.17
Unpaid dividend Accounts	**0.14**	0.05
In Margin Money Accounts *	**2.12**	5.78
Escrow Account towards Sale of Asset	**-**	161.46
	2.43	167.46

*under lien with banks

NOTE 13: LOANS - CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise specified		
Loans to Others	**75.58**	60.06
Less : Provision for expected credit loss	**(25.01)**	(7.55)
	50.57	52.51

Note (a): No loans are due from Directors or other officers of the Group or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any Director is a partner or a Director or a member.

(b) In view of the disposal off all the assets of Bombay Forgings Ltd (BFL) during the year, provision for diminution in investments is made and trade receivable/ advances due is written off aggregating to Rs 15.38 crores (net off expected credit loss).

(c) Please refer Note No. 48 for Financial risk disclosure

(d) For details of loans given to related parties, please refer Note No. 43

(e) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(f) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(g) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMP's and their related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are :

(i) repayable on demand; or

(ii) without specifying any terms or period of repayment.

Notes forming part of consolidated financial statements (Contd.)

NOTE 14: OTHER FINANCIAL ASSETS - CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise stated		
Unbilled Revenue	**98.17**	143.23
Less : Provision for expected credit loss	**(26.02)**	(15.91)
	72.15	127.32
Interest Receivable	**6.69**	16.03
Employee advances	**-**	0.03
Deposits	**0.09**	1.03
	78.93	144.41

NOTE 15 A: OTHER CURRENT ASSETS

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise stated		
Advances to suppliers and others	**136.04**	170.26
Less : Provision for Expected Credit Loss	**(40.00)**	-
	96.04	170.26
Balances with statutory/government authorities	**28.76**	26.25
Export Benefits receivables	**4.41**	1.76
Others	**-**	0.09
	129.21	198.36

NOTE 15 B: ASSET HELD FOR SALE

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Land	**17.15**	106.17
Residential Flat (Refer Note 44)	**1.66**	1.68
	18.81	107.85

NOTE 16: EQUITY SHARE CAPITAL

(a) Authorised & Issued Share capital:

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised Share Capital	**188.10**	148.00
188,100,000 (Previous year 148,000,000) Equity Shares of Rs.10/- each	**188.10**	148.00
Issued Share Capital		
146,273,934 Equity Shares of Rs.10/- each	**146.27**	146.27
3,089,702 shares issued pursuant to Scheme of Amalgamation#	**3.09**	-
3,089,702 shares to be issued pursuant to Scheme of Amalgamation#	**-**	3.09
149,363,636 Equity Shares of Rs.10/- each		
Total issued and fully paid-up share capital: 149,363,636 Equity Shares of Rs.10/- each*	**149.36**	149.36

* Includes

28,031 Equity Shares which have been kept in abeyance by the Stock Exchange Authorities;

Notes forming part of consolidated financial statements (Contd.)

17,645 Equity Shares which have been forfieted by the Company;

48,22,397 Equity shares which were issued as Right issue but not subscribed.

(b) Subscribed and paid capital

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
141,405,861 Equity Shares of Rs.10/- each	**141.41**	141.41
3,089,702 shares issued pursuant to Scheme of Amalgamation#	**3.09**	-
3,089,702 shares to be issued pursuant to Scheme of Amalgamation#	**-**	3.09
Forfeited shares (amount originally paid up)	**0.01**	0.01
Total subscribed and fully paid-up share capital: 144,495,563 Equity Shares of Rs.10/- each	**144.51**	144.51

(c) Reconciliation of number of equity shares

(Rs. in crore)

Particulars	31 March 2023		31 March 2022	
	No. in crores	Amount	No. in crores	Amount
Balance as at the beginning of the year	**14.14**	**141.41**	14.14	141.41
Add : Issued during the period	**0.31**	**3.09**	-	-
Add : Shares to be issued pursuant to Scheme of Amalgamation#	**-**	**-**	0.31	3.09
Balance as at the end of the year	**14.45**	**144.50**	14.45	144.50

In accordance with the Scheme of Amalagamation, 30,89,702 equity shares having face value of Rs 10/- each have been allotted to the shareholders of erstwhile Mukand Engineers Limited on June 17, 2022.

(d) Rights, preferences and restrictions attached to shares

Mukand Ltd ('the Company') has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees in accordance with its dividend distribution policy.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Board of Directors in its meeting held on May 16, 2023 recommended a dividend on equity shares at Rs.2 per share for financial year 2022-23.

During the year ended 31 March 2023, the amount of dividend per share recognized as distribution to equity shareholders was Rs. 1.50 per share as recommended by the Board of Directors in its meeting held on May 17, 2022 and approved by the Shareholders at its meeting held on August 10, 2022.

The Dividend paid for the previous year and proposed for the current year is in compliance with Section 123 of the Act.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	31 March 2023		31 March 2022	
	No. of Shares	% of holding	No. of Shares*	% of holding
Jamnalal Sons Pvt. Ltd.	**28,780,252**	**19.92**	28,244,773	19.97
Baroda Industries Pvt. Ltd.	**17,836,482**	**12.34**	17,003,577	12.02
Bachhraj & Company Pvt. Ltd.	**14,956,818**	**10.35**	14,956,818	10.58
Bajaj Sevashram Pvt. Ltd.	**13,893,343**	**9.62**	13,856,881	9.80
Niraj Bajaj	**11,945,461**	**8.27**	11,786,730	8.34
Bajaj Holdings & Investments Ltd.	**8,134,333**	**5.63**	8,113,564	5.74

Notes forming part of consolidated financial statements (Contd.)

(f) Details of Promoters/Promoter Group Shareholding

	Particulars	31 March 2023		31 March 2022	
		Total nos. shares held	**% of holding**	Total nos. shares held*	% of holding
A	**Companies**				
	Jamnalal Sons Pvt. Ltd.	**28,780,252**	**19.92**	28,244,773	19.97
	Baroda Industries Pvt. Ltd.	**17,836,482**	**12.34**	17,003,577	12.02
	Bachhraj & Co Pvt. Ltd.	**14,956,818**	**10.35**	14,956,818	10.58
	Bajaj Sevashram Pvt. Ltd.	**13,893,343**	**9.62**	13,856,881	9.80
	Bajaj Holdings & Investment Ltd.	**8,134,333**	**5.63**	8,113,564	5.74
	Bachhraj Factories Pvt. Ltd.	**7,016,015**	**4.86**	6,831,015	4.83
	Sanraj Nayan Investments Pvt. Ltd.	**2,244,898**	**1.55**	2,244,898	1.59
	Niraj Holdings Pvt. Ltd.	**8,000**	**0.01**	8,000	0.01
	Kamalnayan Investment & Trading Pvt. Ltd.	**7,000**		7,000	
	Madhur Securities Pvt. Ltd.	**7,000**		7,000	
	Rahul Securities Pvt. Ltd.	**7,000**		7,000	
	Rupa Equities Pvt. Ltd.	**7,000**		7,000	
	Shekhar Holdings Pvt. Ltd.	**7,000**		7,000	
	Akhil Investments & Traders Pvt. Ltd.	**-**	**-**	260	-
	Valiant Investments & Trades Pvt. Ltd.	**-**	**-**	260	-
	Oremet Minerals And Metal Pvt. Ltd.	**-**	**-**	100	-
	Sidya Investments Ltd.	**6,692**			-
	Sub-Total (A)	**92,911,833**	**64.30**	91,295,146	64.56
B	**Trust**				
	Madhur Bajaj (A/c. Nimisha Bajaj Family Trust)	**238,711**	**0.17**	238,711	0.17
	Kumud Bajaj (A/c. Neelima Bajaj Family Trust)	**238,711**	**0.17**	238,711	0.17
	Sanjivnayan Bajaj (A/c Siddhant Family Trust)	**143,384**	**0.10**	142,409	0.10
	Sanjivnayan Bajaj (A/c Sanjali Family Trust)	**143,384**	**0.10**	142,409	0.10
	Kumud Bajaj (A/c. Madhur Nimisha Family Trust)	**50,000**	**0.03**	50,000	0.04
	Madhur Bajaj (A/c. Kumud Neelima Family Trust)	**50,000**	**0.03**	50,000	0.04
	Madhur Bajaj (A/c. Kumud Nimisha Family Trust)	**50,000**	**0.03**	50,000	0.04
	Kumud Bajaj (Madhur Neelima Family Trust)	**50,000**	**0.03**	50,000	0.04
	Niraj Bajaj (A/c Niravnayan Trust)	**27,604**	**0.02**	27,200	0.02
	Suketu V. Shah (Rajketu Trust)#	**-**	**-**	1,349	0
	Rajesh V Shah (A/c Decree Trust)#	**-**	**-**	100	0
	Sub-Total (B)	**991,794**	**0.69**	990,889	0.70
C	**Individuals/Hindu undivided Family**				
	Shri Niraj Bajaj	**11,945,461**	**8.27**	11,786,730	8.34
	Shri Shekhar Bajaj	**711,596**	**0.49**	711,134	0.49
	Smt Sunaina Kejriwal	**288,137**	**0.20**	286,180	0.20
	Smt Minal Bajaj	**199,404**	**0.14**	192,000	0.14
	Shri Rajivnayan Bajaj	**143,384**	**0.10**	142,409	0.10
	Shri Narendrakumar J Shah	**105,836**	**0.07**	104,105	0.07
	Smt Kiran Bajaj	**29,127**	**0.02**	28,800	0.02
	Smt. Pooja Bajaj	**29,127**	**0.02**	28,800	0.02

Notes forming part of consolidated financial statements (Contd.)

(f) **Details of Promoters/Promoter Group Shareholding**

Particulars	31 March 2023		31 March 2022	
	Total nos. shares held	% of holding	Total nos. shares held*	% of holding
Shri Vanraj Anant Bajaj	29,127	0.02	28,800	0.02
Shri Madhur Bajaj	20,462	0.01	20,000	0.01
Smt Kumud Bajaj	19,711	0.01	19,711	0.01
Smt Anjana Viren Shah (Nee Anjana Munsif)	11,634	0.01	11,634	0.01
Smt Suman Jain	4,069		3,744	
Shri Sanjivnayan Bajaj	1,794		1,787	
Shri Niravnayan Bajaj	1,154		-	-
Sub-Total (C)	**13,540,023**	**9.37**	13,365,834	9.45
Total A+B+C	**107,443,650**	**74.36**	105,651,869	74.72

#Reclassified from 'Promoter and Promoter Group' to 'Public' category, pursuant to BSE and NSE approval letters dated January 12, 2023

* Figures of 31-March-2022 excludes shares issued pursuant to scheme of amalgamation.

(g) There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

(h) There are no unpaid calls from any Director and officer.

(i) As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(j) There are no bonus shares issued nor any shares bought back during the period of five years immediately preceding the reporting date. During the year Shares were allotted for consideration other than cash under the Scheme of Amalgamation - Refer Note 53.

NOTE 17 : OTHER EQUITY

(Rs. in crore)

Particulars	Note	As at 31st March 2023	As at 31st March 2022
Capital Redemption Reserve	(i)	3.00	3.00
Securities Premium	(ii)	100.22	100.22
Foreign Exchange Fluctuation Reserve	(iii)	-	1.04
General Reserve	(iv)	173.43	169.66
Retained Earnings	(v)	428.07	245.37
Share of other comprehensive income of investments accounted for using the equity method	(vi)	2.20	0.71
Remeasurement of defined benefit obligation through Other Comprehensive Income	(vii)	2.35	1.95
Capital Reserve (Rs.47,439/-)(31 Mar 2022 Rs.47,439/-)			
Total		**709.27**	521.95

(i) **Capital Redemption Reserve**

Capital Redemption Reserve was created by the holding company for redemption of preference shares

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	3.00	3.00
Balance at the end of the year	3.00	3.00

Notes forming part of consolidated financial statements (Contd.)

(ii) Securities Premium

Securities Premium is used to record premium on issue of shares. The reserve is utilised as per the provisions of the Companies Act, 2013.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**100.22**	100.22
Balance at the end of the year	**100.22**	100.22

(iii) Foreign Exchange Fluctuation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**1.04**	1.73
Movement during the year	**0.04**	0.16
Transfer to Other Reserve	**(1.08)**	-
Adjustment arising out of consolidation	**-**	(0.85)
Balance at the end of the year	**-**	1.04

(iv) General Reserve

General Reserve represents appropriations of retained earnings and are available for distribution to shareholders.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**169.66**	169.66
Adjustment arising out of consolidation	**3.77**	-
Balance at the end of the year	**173.43**	169.66

(v) Retained Earnings

Retained Earnings are the profits of the company earned till date net of appropriations.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**245.37**	82.91
Movement during the year	**171.78**	176.31
Other Adjustment	**(28.55)**	-
Transfer from Other Reserve	**1.08**	-
Dividend Paid	**(21.67)**	(14.14)
Adjustments arising out of Consolidation	**60.06**	0.29
Balance at the end of the year	**428.07**	245.37

(vi) Share of other comprehensive income of investments accounted for using the equity method

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**0.71**	4.50
Adjustment arising out of consolidation	**1.49**	(3.79)
Balance at the end of the year	**2.20**	0.71

Notes forming part of consolidated financial statements (Contd.)

(vii) Remeasurement of defined benefit obligation through Other Comprehensive Income

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Balance at the beginning of the year	**1.95**	(0.90)
Movement during the year - OCI (net of taxes)	**0.40**	(1.78)
Adjustment arising out of consolidation	**-**	4.63
Balance at the end of the year	**2.35**	1.95

NOTE 18: NON-CURRENT BORROWINGS

(Rs. in crore)

Particulars	Note	As at 31st March, 2023	As at 31st March 2022
Unsecured			
- From Banks		**1,400.00**	-
- Fixed deposit		**42.92**	16.07
Less : Transaction costs on borrowings		**(0.16)**	(0.07)
- Fixed deposits		**42.76**	16.00
- From Others - Long term loans from companies		**-**	864.06
Preference Share Liability (Unsecured)			
5,626,320 8% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 10/-fully paid up (Refer Note (i) below)		**5.63**	5.63
		5.63	5.63
		1,448.39	885.69

(i) Company allotted 56,26,320, 8% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10 each on private placement basis to the following members belonging to the Promoter Group entities. Rs.10/- has been called up on these shares. These CRPS will be redeemed at par in one or more installments. These CRPS shall have a maximum term of 20 years from the date of allotment and shall be redeemed at the option of the Company after expiry of 5 years from the date of allotment, but before expiry of 20th year from the date of allotment. In the event of liquidation of the Company before redemption, the holders of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

a Shareholders holding more than 5 % of 8% CRPS

8% CRPS of Rs. 10/- each, Rs.10/- fully paid up	31st March, 2023		31st March, 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Jamnalal Sons Pvt. Ltd.	**28,13,160**	**50.00%**	28,13,160	50.00%
Bachharaj & Company Pvt. Ltd.	**28,13,160**	**50.00%**	28,13,160	50.00%

b Shareholding of the Promoters in 8% CRPS is as shown above.

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(ii) Unsecured Long Term Committed Loans of Rs.1,400.00 crores availed from a Bank is repayable in one instalment on July 14, 2025. The interest rate on these loans is linked to 1 months / 3 months T-Bill + Spread. These loans are backed by guarantee of Rs 1,750 crores given by Jamnalal Sons Private Limited (JSPL), a promoter group company.

(iii) The Group has not defaulted in the payment of interest and installments of the loans as at 31st March 2023.

(iv) Non Fund based Bank Gurantee facility sanctioned to Engineering Construction Division (erstwhile Mukand Engineers Limited) by a bank, are secured by pledge of current assets and fixed assets of the division. Facility is also secured by corporate guarantee of the Company.

(v) The Company has created / modified the charges with the Registrar of Companies within the statutory period except in the one case where the charge is yet to be satisifed with Registrar of Companies, despite repayment of the loans. The Company is in the process of filing the charge satisfaction e-form with MCA.

(vi) The Board of Directors in its meeting held on May 16, 2023 recommended a dividend 8% on CRPS for financial year 2022-23. Since aforesaid CRPS has been classified as financial liability, the amount of dividend has been shown as finance cost.

During the year ended 31 March 2023, the amount of CRPS dividend recognized as distribution to CRPS holders was at 8% / 0.01% as recommended by the Board of Directors in its meeting held on May 17, 2022 and approved by the shareholders at its meeting held on August 10, 2022.

(vii) For details of loans received from related parties, refer Note No. 43.

Notes forming part of consolidated financial statements (Contd.)

NOTE 19: OTHERS FINANCIAL LIABILITIES - NON CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Security Deposit	**0.25**	0.25
	0.25	0.25

NOTE 20: PROVISIONS - NON CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Provision for Employee Benefits (refer Note No. 45)	**43.20**	40.71
Provision for Others	**20.00**	-
	63.20	40.71

NOTE 21: BORROWINGS - CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Unsecured		
- from Others	**56.23**	150.62
Current Maturities of Long Term Debt (Net of Transaction cost)	**-**	999.96
	56.23	1,150.58

Term Loan of Rs.1,000 crores due to Bank is repaid by Mukand Limited on due date during the year.

The Group has not defaulted in the payment of interest and installments of the loans as at 31st March 2023.

NOTE: 22: TRADE PAYABLES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Dues to Micro Enterprises and Small Enterprises	**29.25**	13.11
Other than to Micro Enterprises and Small Enterprises		
- Acceptances	**0.14**	35.31
- Other trade Payables	**506.79**	459.97
	536.18	508.39

(a) For Payables to related parties, refer Note No. 43

(b) Disclosure in respect of creditors registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) is as under

(Rs. in crore)

	As at 31st March, 2023	As at 31st March 2022
The principal amount and the interest due thereon remaining unpaid to suppliers	**29.25**	13.11
Principal not due	**-**	-
Interest due thereon	**-**	-
Interest actually paid under section 16 of the MSMEDA	**-**	-
Amount of payment made to suppliers beyond the appointed day	**-**	-
Amount of interest due and payable for the period of delay in making payment (which have been paid and beyond the appointed day during the year) but without adding interest under MSMEDA	**-**	-
Amount of interest accrued and remaining unpaid	**-**	-
Amount of further interest remaining due and payable even in the succeeding years, until such dates when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under MSMEDA	**-**	-

The disclosure above is based on the information available with Group regarding the status of the suppliers under the MSME.

Notes forming part of consolidated financial statements (Contd.)

NOTE: 23: OTHER CURRENT FINANCIAL LIABILITIES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Interest accrued on borrowings	2.27	28.11
Unpaid dividend*	0.14	0.05
Unpaid maturity deposits*	0.12	0.39
Employee related liabilities	13.15	8.86
Creditors for capital goods	2.21	2.20
Others	26.76	1.65
	44.65	41.26

Please refer Note No. 43 for Related Party Transactions

* There are no amounts due for payment to Investor's Education and Protection Fund as at the year end.

NOTE: 24: OTHER CURRENT LIABILITIES

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Statutory Dues	2.29	19.50
Advances from customers	136.44	23.95
Other Liabilities	28.22	176.20
	166.95	219.65

Other liabilities includes Rs Nil (Previous year Rs 161.46 crore) advance towards Sale of Land and Rs 1.50 crore (Previous year Rs 1.50 crore)advance towards Sale of Residential Flat.

NOTE: 25: PROVISIONS - CURRENT

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Provision for Employee Benefits (refer Note No. 45)	6.55	10.14
Provision for Warranty Costs (refer note below)	1.63	1.34
	8.18	11.48

Note :

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening Balance	1.34	0.76
Provision recognised during the year	1.63	1.34
Amount utilised during the year	(1.58)	(2.16)
Amount reversed/short provision during the year	0.24	1.40
Closing Balance	1.63	1.34

Notes forming part of consolidated financial statements (Contd.)

NOTE 26: REVENUE FROM OPERATIONS

(Rs. in crore)

	Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
i)	**Revenue from Operations**		
	Sale of product and services		
	Special Alloy Steel Products	**2,195.64**	1,853.79
	Stainless Steel Products	**2,820.00**	2,198.65
	Job Works & Others	**392.75**	450.04
	Engineering Contracts - Refer Note (a) & (b) below	**137.30**	105.13
	A	**5,545.69**	4,607.61
ii)	**Other operating revenue**		
	Sale of Scrap and Sundries	**5.61**	15.89
	Export Incentives	**6.59**	3.92
	Insurance Claims etc.	**0.30**	0.81
	Credit balances appropriated	**0.02**	1.09
	Excess provisions written back (net)	**0.21**	7.38
	Surplus on account of sale of assets	**0.75**	0.15
	Other Miscellaneous receipts	**8.43**	6.12
	B	**21.91**	35.36
	Total Revenue from Operations (A + B)	**5,567.60**	4,642.97

(a) Disclosure regarding Income from Contracts of Industrial Machinery Division to which Indian Accounting Standard 115 applies :

(Rs. in crore)

	Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
i)	The amount of Contract revenue recognised as revenue during the year.	**137.30**	105.13
ii)	The aggregate amount of costs incurred and recognised profits (less recognised losses) during the year.	**208.82**	153.72
iii)	The amount of advances received (Gross)	**46.83**	15.59
iv)	The amount of retentions (included in sundry debtors) (net balance)	**74.35**	131.21
v)	Amount due from customers	**57.40**	52.30

(b) Disaggregation of Revenue:

(Rs. in crore)

Revenue based on geography	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Domestic	**5,057.65**	4,375.12
Export	**488.04**	232.49
Total	**5,545.69**	4,607.61

Pending performance obligations on long term engineering contracts:

Revenue is recognized upon transfer of control of products or services to customers.

Mukand Limited has entered into long term contracts aggregating Rs. 523.98 crores (previous year Rs. 428.74 crores) pertaining to the industrial machinery division. The pending performance obligation relating to these contracts aggregates to Rs. 326.42 crores (previous year Rs.280.48 crores) as at year end.

The management of Company expects that 82.75% (previous year 53.60%) of the pending performance obligation amounting to Rs. 270.10 crores (previous year Rs. 150.34 crores) pertaining to these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

Notes forming part of consolidated financial statements (Contd.)

NOTE 27: OTHER INCOME

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Rent received	1.28	1.28
Interest Received - From Customers/Banks/Others	12.44	9.05
Dividend Income	0.02	0.01
Net gains on Fair value changes/Disposal of Equity Instruments	18.57	76.76
Surplus on account of sale of Land/Residential Flat	552.11	22.47
Others	0.77	0.04
	585.19	109.61

NOTE 28: COST OF MATERIALS CONSUMED

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock	413.55	342.69
Add : Purchase	3,967.97	3,184.79
Add/(Less) : Materials on loan/(sales) (net)	(2.20)	(8.16)
	4,379.32	3,519.32
Less : Closing stock	(425.10)	(413.55)
	3,954.22	3,105.77

NOTE 29 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND CONTRACTS IN PROGRESS

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock	798.84	591.92
Less : Closing stock	(832.01)	(798.84)
Variation in stock	(33.17)	(206.92)
Net (increase)/decrease in stocks	(33.17)	(206.92)

NOTE 30 : EMPLOYEE BENEFITS EXPENSE

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Salaries, Wages, Bonus, Compensation and Other Payments	166.55	166.79
Contribution towards Employees' State Insurance, Provident and Other Funds	23.28	20.02
Staff welfare expenses	14.92	15.69
	204.75	202.50

NOTE 31: FINANCE COSTS

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest cost on financial liabilities measured at amortized cost	176.94	161.15
Less : Interest capitalised	(0.74)	(0.42)
Other Borrowing Costs	0.77	0.52
	176.97	161.25

Notes forming part of consolidated financial statements (Contd.)

NOTE 32: DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Depreciation of property, plant and equipment	49.80	42.78
Amortisation of intangible assets	2.40	2.38
Depreciation - Right of Use Assets	0.18	0.19
	52.38	45.35

NOTE 33: OTHER EXPENSES

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Stores, Spares, Components, Tools, etc. consumed	724.59	603.18
Power and Fuel consumed	308.68	258.75
Machining and Processing charges	231.46	210.08
Sub-contracting expenses	69.25	67.75
Other Manufacturing expenses	45.35	65.83
Rent (net)	1.61	1.75
Repairs to:		
- Buildings	11.31	29.91
- Plant and Machinery	18.56	15.17
- Other assets	4.51	5.50
Rates and Taxes	4.87	4.77
Insurance	4.13	3.38
Commission	12.31	5.63
Freight, Forwarding and Warehousing (net)	10.53	3.57
Directors' Fees and Travelling Expenses	0.42	0.29
Bad Debts, debit balances and claims written off	15.18	0.31
Fair value loss on investments	0.20	-
Provision for Expected Credit Loss	80.97	(0.49)
Loss on assets sold	11.67	0.26
Loss on assets discarded / impaired	0.05	0.35
Loss/(Gain) on variation in foreign exchange rates (net)	(16.74)	(4.61)
Miscellaneous Expenses	80.68	36.04
	1,619.58	1,307.42

NOTE 34: INCOME TAX EXPENSES

Reconciliation of Tax Expense and accounting profit multiplied by India's Tax rate :

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Profit before Tax	178.78	141.06
Applicable Tax Rate	25.17%	25.17%
Tax Expense as per applicable tax rate	45.00	35.50
Tax effect of :		
Permanent disallowances	-	0.32
Short provision for tax in respect of earlier years	(3.99)	-
Others	(41.50)	(61.17)
Total Tax expenses	(0.49)	(25.35)
Tax expenses recognised in Statement of Profit or Loss	(0.49)	(25.35)

Notes forming part of consolidated financial statements (Contd.)

NOTE 35: EARNINGS PER SHARE

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Profit attributable to the equity holders of the company (A) (Rs. in crore)	**171.78**	176.31
Weighted average number of shares for Basic EPS (B)#	**144,495,563**	144,495,563
Adjustments for calculation of Diluted EPS (C)	**-**	-
Weighted average number of shares for Diluted EPS (D= B+C)	**144,495,563**	144,495,563
(a) Basic EPS in Rs.	**11.89**	12.20
(b) Diluted EPS in Rs.	**11.89**	12.20

#Includes 30,89,702 equity shares issued in accordance with the Scheme of Amalgamation.

NOTE 36: CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans,long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents & Current Investments. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at March 31, 2023 is as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Borrowings		
Long term and Short term borrowings	**1,504.74**	2,036.66
Less: Cash and Bank balances	**(39.36)**	(42.30)
Less: Current Investments	**157.59**	-
Adjusted net debt	**1,622.97**	1,994.36
Total Equity	**853.78**	666.46
Adjusted net debt to adjusted equity ratio	**1.90**	2.99

NOTE 37: CONTINGENT LIABILITIES NOT PROVIDED FOR

Rs. in crore

	Particulars	As at 31st March, 2023	As at 31st March, 2022
i.	Disputed matters in appeal/contested in respect of:		
	Income Tax	**4.50**	7.81
	Excise Duty, Customs Duty, etc.	**8.74**	7.21
	Sales Tax, Works Contract Tax etc. **	**7.85**	6.49
	Other matters	**96.73**	76.09
	** In the matter of certain ex-parte assessments completed by Commercial Tax Officer in the State of Uttar Pradesh, Mukand Ltd is advised that liability, if any, that may arise will be determined after the matter is remanded to the Assessing Officer and on completion of reassessment proceedings and therefore, the same is not included herein.		
ii.	Claims against Mukand Ltd not acknowledged as debt as these are disputed and pending disposal at various fora.	**11.77**	14.32

Notes forming part of consolidated financial statements (Contd.)

NOTE 37: CONTINGENT LIABILITIES NOT PROVIDED FOR

Rs. in crore

	Particulars	As at 31st March, 2023	As at 31st March, 2022
	For items (i) & (ii) above The Company has taken legal and other steps to protect its interest in respect of these matters, which is based on legal advice and/or precedents in its own/other cases. It is not possible to make any further determination of the liability which may arise in these matters.		
iii.	Guarantees and Counter guarantees given by Mukand Ltd :	**359.68**	455.78
iv.	Bonds / Undertakings given by Mukand Ltd under concessional duty/ exemption to Customs / Excise Authorities (Net of redemption applied for)	**0.66**	0.66
v.	Share in contingent Liabilities of Associates	**0.29**	0.29
vi.	Share in contingent Liabilities of Joint Ventures	**-**	0.14

vii. Demand for Annual Bonus for the financial years 1995-96 to 2006-07 by Staff and Officers' Association is pending at different stages in proceedings under The Industrial Disputes Act, 1947. Bulk of these employees are statutorily not covered by The Payment of Bonus Act, 1965 and many of the employees are also not covered by The Industrial Disputes Act, 1947. Liability arising there from cannot therefore be determined at present.

viii. Government of Maharashtra had served a Demand Notice on the Company for payment of electricity duty for power generated during the period 01.04.2000 to 30.04.2005 and penal interest thereon in Company's Captive Power Plant amounting to Rs.14.27 crore. The Writ Petition filed by the Company was disposed by the Hon'ble Bombay High Court on 7th November, 2009 quashing the said Demand Notice. Government of Maharashtra has however, filed an appeal in the Supreme Court of India against the aforesaid judgment of High Court.

ix. A claim towards difference in price of calibrated iron ore for the period 1st April, 2006 to 28th February, 2007 amounting to Rs.33.07 crore has been raised by a supplier in March 2007. The Company has been legally advised that the supplier cannot seek this price revision under a concluded agreement and hence no provision is made in the Accounts for the same. The issue along with method of review and re-fixing of price of calibrated iron ore effective on 1st of April each year in terms of agreement is referred to an arbitral tribunal whose award was pronounced on 28th February 2014. In terms of the said award, the supplier is directed to re-compute amount payable by the Company. The supplier has revised the claim amount in December 2020 to Rs. 19.71 Crores. Moreover, the said supplier has also increased the price of calibrated iron ore w.e.f. 1st April, 2007 and thereafter w.e.f. 1st April, every year. This issue too was settled by the aforesaid arbitral tribunal. However, pending such determination of final price, the supplier has raised invoices at an ad-hoc interim mutually agreed price on the marketing contractor who in turn, has billed the Company at the same price and the liability, has been fully accounted for. An appeal preferred for challenging the said arbitration award was rejected by the City Civil Court in January 2019. The marketing contractor has gone in appeal against the decision of the City Civil Court before the High Court of Karnataka. The appeal is pending disposal.

NOTE 38 : COMMITMENTS

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**7.41**	8.88
Share of Capital Commitment of Joint Ventures/Associates	**-**	0.50

Notes forming part of consolidated financial statements (Contd.)

NOTE 39 (A) : LEASES

As Lessee:

Future Rental obligations in respect of premises taken on operating Lease:

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i. For a period not later than one year	**0.68**	0.54
ii. For a period later than one year but not later than five years	**-**	-
iii. For a period later than five years	**-**	-
	0.68	0.54

Lease rentals charged to revenue for the current year Rs. 1.61 crore (Previous Year Rs. 1.64 crore).

These premises comprise residential flats, office premises and warehouses. The agreements for lease are executed for tenure of 11 to 60 months with a provision for renewal and termination by either party giving a prior notice of 1 to 3 months.

As Lessor:

Future Rental income in respect of premises/ plot of land given on lease – Operating Lease.

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i. For a period not later than one year	**0.45**	0.51
ii. For a period later than one year but not later than five years	**0.60**	0.59
iii. For a period later than five years	**-**	-
	1.05	1.10

These premises comprise office premises and a residential flat given on lease for tenure of two / five years with a provision for renewal in case of office premises.

NOTE 39 (B) : LEASES

1 Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2023 & March 31,2022

(Rs. in crore)

Particulars	ROU Assets Leasehold Land
Balance as at April 1, 2022	**15.12**
Additions during the year	-
Deletion during the year	(14.94)
Depreciation on ROU (Refer Note No. 2)	(0.18)
Balance as at March 31, 2023	**-**

(Rs. in crore)

Particulars	ROU Assets Leasehold Land
Balance as at April 1, 2021	15.31
Additions during the year	-
Deletion during the year	-
Depreciation on ROU (Refer Note No. 2)	(0.19)
Balance as at March 31, 2022	15.12

NOTE 40 : There are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at the reporting date.

Notes forming part of consolidated financial statements (Contd.)

NOTE 41 : STATEMENT OF VOTING POWER OF MUKAND LIMITED IN SUBSIDIARIES, STEPDOWN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

Sr. No.	Name of the Company	Nature of relationship	Country of Incorporation	Principal Activity	Proportion of voting power as at	
					31-Mar-23	31-Mar-22
1	Mukand International FZE (MIFZE)	Subsidiary	UAE	Trading - steel	**0%**	100%
2	Mukand Sumi Metal Processing Ltd. (MSMPL) $	Subsidiary	India	Manufacturing of Cold finished, Bars/Rods	**100%**	51%
3	Hospet Steels Ltd. (HSL)	Joint Venture	India	Management Company	**39.00%**	39.00%
4	Bombay Forgings Ltd. (BFL)	Associate	India	Manufacturing of Steel Forging	**33.17%**	33.17%
5	Stainless India Ltd. (SIL)^	Associate	India	Manufacturing of stainless steel products	**48.30%**	48.30%
$	During the FY 22-23 49% MSMPL shares were acquired making it Wholly Owned Subsidiary					
^	SIL has ceased operation w.e.f. 27-10-2008.					

Note 42 : Investment in Joint Ventures and Associates

Interest in associates and joint ventures

Set out below are associates and joint ventures of the group as at 31st March 2023 which in the opinion of the board are material to the group. The entities listed below have share capital consisting mainly of equity shares which are directly held by the group.

(Rs. in crore)

Sr. No.	Name of Entity	Place of Business	% of Ownership Interests		Relationship	Accounting Method	Carrying amount	
			31st March, 2023	31st March, 2022			**31st March, 2023**	31st March, 2022
1	Mukand Sumi Metal Processing Ltd (MSMPL)	India	**100.00%**	51.00%	Subsidiary/ Joint Venture	Equity Method	**-**	127.32
	Total Equity accounted investments						**-**	127.32

i) MSMPL is a joint venture(till 29.09.2022) between Mukand Ltd and Sumitomo Corporation Japan which is engaged in the manufacture of cold finished bars and wires in India. During the FY 22-23 49 % MSMPL shares were acquired making it Wholly Owned Subsidary.

NOTE 43 :

(a) Relationship :

(i) Associates :

Bombay Forgings Ltd, Stainless India Ltd.

(ii) Joint Ventures :

Mukand Sumi Metal Processing Ltd (MSMPL) till 29.09.2022, Mukand Sumi Special Steel Ltd (Upto 30.04.2021), Hospet Steels Ltd. (HSL).

(iii) Key Management Personnel

Niraj Bajaj,Pratap V Ashar (till 08.04.2022),Prakash Vasantlal Mehta, Sankaran Radhakrishnan, Bharti Ram Gandhi, Amit Yadav, Other KMPs, Relatives of a Director/ Other KMPs.

(iv) Other related parties where significant influence exists or where the related party has significant influence on the Company :

Kalyani Mukand Ltd., Jamnalal Sons Pvt. Ltd. (JSPL), Baroda Industries Pvt. Ltd., Sidya Investment Ltd,Bachhraj & Company Pvt. Ltd, Bachhraj Factories Pvt. Ltd, Mukand Sumi Special Steel Ltd., Bajaj Sevashram Pvt. Ltd, Kamalnayan Investment & Trading Pvt Limited,Rahul Securities Pvt. Ltd, Niraj Holding Pvt. Ltd., Madhur Securities Pvt. Ltd,Shekhar Holding Pvt. Ltd, Malvi Ranchodas & Co.,Bajaj Allianz General Insurance Co Ltd., Hind Musafir Agency Ltd., Bajaj Finserv Ltd., Hindustan Housing Co. Ltd,Other Promoter group (refer note 16)

Notes forming part of consolidated financial statements (Contd.)

(b) (i) Details of transactions with the related parties referred in (a) above :

(Rs. in crore)

Sr No.	Nature of transactions	a (i) above	a (ii) above	a (iii) above	a (iv) above	Total
1	Purchase of Goods	**-**	**30.15**	**-**	**39.06**	**69.21**
		-	53.38	-	24.76	78.14
2	Sale of Goods	**-**	**284.29**	**-**	**2,185.14**	**2,469.43**
		-	468.76	-	1,846.25	2,315.01
3	Purchase of Fixed Assets	**-**	**-**	**-**	**24.00**	**24.00**
		-	-	-	-	-
4	Sale of Investments	**-**	**-**	**-**	**-**	**-**
		-	-	-	499.53	499.53
5	Services Received		**70.06**	**-**	**29.57**	**99.63**
		-	69.77	-	39.03	108.80
6	Services Rendered	**-**	**54.57**	**-**	**136.27**	**190.84**
		-	83.16	-	213.21	296.37
7	Remuneration/Sitting Fees to MDs/Directors and KMPs	**-**	**-**	**5.54**	**-**	**5.54**
		-	-	10.17	-	10.17
8	Interest Paid	**-**	**-**	**-**	**70.63**	**70.63**
		-	1.24	-	80.30	81.54
9	Interest Received	**-**	**-**	**-**	**1.31**	**1.31**
		-	-	-	1.57	1.57
10	Shares Received on Demerger	**-**	**-**	**-**	**147.58**	**147.58**
		-	-	-	-	-
11	Investment in Preference Shares	**-**	**-**	**-**	**-**	**-**
		-	-	-	3.38	3.38
12	Partial redemption of Preference Shares	**-**	**-**	**-**	**-**	**-**
		-	-	-	0.97	0.97
13	Finance taken including equity / (re-payment of loans & advances) - Net	**-**	**-**	**-**	**(929.47)**	**(929.47)**
		-	-	-	(48.50)	(48.50)
14	Preference / Equity Dividend Paid	-	-	**2.17**	**12.90**	**15.07**
		-	-	2.25	8.43	10.68
15	Share allotement on account of Merger (paid up value)	**-**	**-**	**0.16**	**0.63**	**0.79**
		-	-	-	-	-
16	Finance given including equity / (re-payment of loans & advances) - Net	**2.79**	**-**	**-**	**-**	**2.79**
		(9.33)	-	-	-	(9.33)
17	Guarantee given/(adjusted) by the Company	**-**	**-**	**-**	**(96.09)**	**(96.09)**
		-	-	-	50.18	50.18
18	Guarantee given to the Company's Banker	**-**	**-**	**-**	**(250.00)**	**(250.00)**
		-	-	-	200.00	200.00
19	Balances at the close of the period					
	i) Amount Receivable (Net off ECL/amount written off)	**-**	**-**	**-**	**35.06**	**35.06**
		0.55	42.79	-	25.75	69.09
	ii) Amount Payable	**-**	**11.67**	**0.14**	**3.30**	**15.11**
		-	14.29	0.17	11.10	25.56
	iii) Amount Receivable in respect of loans & advances	**-**	**-**	**-**	**28.33**	**28.33**
		15.82	-	-	-	15.82
	iv) Amount Payable in respect of loans & advances	**-**	**-**	**-**	**85.57**	**85.57**
		-	-	0.25	964.81	965.06
	v) Guarantee given/(adjusted) by the Company	**-**	**-**	**-**	**353.92**	**353.92**
				-	450.02	450.02
	vi) Guarantee given to the Company's Banker	**-**	**-**	**-**	**1,950.00**	**1,950.00**
		-	-	-	2,200.00	2,200.00

* Interest on FDs to relatives of a Director / includes amount payable for FDs / interest thereon Rs. NIL

Notes : Figures in bold type relate to the current year and figures in normal type relate to previous year.

Notes forming part of consolidated financial statements (Contd.)

ii) Details in respect of material transactions with related parties

(Rs. in crore)

Purchase of Goods:		
Mukand Sumi Metal Processing Ltd*	**30.15**	53.38
Mukand Sumi Special Steel Ltd	**39.06**	24.76
Sale of Goods:		
Mukand Sumi Metal Processing Ltd*	**284.29**	468.76
Mukand Sumi Special Steel Ltd	**2,185.14**	1,846.25
Purchase of Fixed Assets		
Mukand Sumi Special Steel Ltd	**24.00**	-
Sale of Investments		
Jamnalal Sons Pvt Ltd	**-**	499.53
Services Received:		
Hospet Steels Ltd	**65.02**	57.86
Hindustan Housing Co. Ltd	**0.14**	-
Mukand Sumi Metal Processing Ltd*	**5.04**	11.91
Mukand Sumi Special Steel Ltd	**12.69**	33.52
Jamnalal Sons Pvt Ltd	**6.83**	5.35
Bachharaj & Company Pvt Ltd	**0.16**	0.16
Malvi Ranchoddas & Co	**0.33**	
Bajaj Finserv Ltd	**0.12**	
Bajaj Allianz General Insurance Co Ltd	**8.61**	
Hind Musafir Agency Ltd	**0.69**	
Services Rendered:		
Mukand Sumi Metal Processing Ltd*	**54.57**	83.16
Mukand Sumi Special Steel Ltd	**136.27**	213.21
Remuneration to Executive Directors & Other KMPs #		
Short term employment benefit	**3.33**	9.54
Post Employment Benefits	**1.80**	0.34
Remuneration to Non-Executive / Independent Directors		
Sitting Fees & Travelling Expenses	**0.41**	0.29
Interest Paid		
Jamnalal Sons Pvt Ltd	**42.92**	44.32
Kamalnayan Investment & Trading Pvt Ltd	**0.36**	-
Mukand Sumi Metal Processing Ltd*	**-**	1.24
Mukand Sumi Special Steel Ltd	**2.53**	1.00
Baroda Industries Pvt Ltd	**0.05**	0.09
Bachharaj & Company Pvt Ltd	**11.74**	28.47
Bachharaj Factories Pvt Ltd	**0.07**	0.10
Bajaj Sevashram Pvt Ltd	**9.38**	6.13
Sanrajnayan Investments Pvt Ltd	**1.70**	0.08
Niraj Holding Pvt Ltd	**0.35**	-
Shekhar Holding Pvt Ltd	**0.41**	-
Rahul Securities Pvt Ltd	**0.71**	-
Madhur Securities Pvt Ltd	**0.41**	-
Adonis Laboratories Pvt Ltd	**-**	0.11
Interest / Dividend / Received		
Mukand Sumi Special Steel Ltd	**1.31**	1.57
Investment in Preference Shares		
Jamnalal Sons Pvt Ltd	**-**	1.69
Bachharaj & Company Pvt Ltd	**-**	1.69
Partial redemption of Preference Share & advances) - Net		
Jamnalal Sons Pvt Ltd	**-**	0.28
Bachharaj & Company Pvt Ltd	**-**	0.11
Bajaj Sevashram Pvt Ltd	**-**	0.01
Relatives of Director/ Director and Promoter Group	**-**	0.57
Dividend paid		
Jamnalal Sons Pvt Ltd	**4.48**	2.91
Baroda Industries Pvt Ltd	**2.55**	1.70
Relatives of Director/ Director and Promoter Group	**2.17**	2.25
Bachharaj & Company Pvt Ltd	**2.40**	1.53
Bajaj Sevashram Pvt Ltd	**2.08**	1.39

Notes forming part of consolidated financial statements (Contd.)

(Rs. in crore)

Sanrajnayan Investments Pvt Ltd	**0.34**
	0.22
Bachharaj Factories Pvt Ltd	**1.05**
	0.68
Guarantees given/ (Adjusted) by the Company	
Mukand Sumi Special Steel Ltd	**(96.09)**
	50.18
Guarantee given to the Company's Banker	
Jamnalal Sons Pvt Ltd	**(250.00)**
	200.00
Finance taken including equity / (re-payment of loans & advances) - Net	
Jamnalal Sons Pvt Ltd	**(613.02)**
	130.08
Mukand Sumi Special Steel Ltd	**7.62**
	0.22
Baroda Industries Pvt Ltd	**-**
	-
Bachharaj & Company Pvt Ltd	**(176.97)**
	(325.90)
Bajaj Sevashram Pvt Ltd	**(112.10)**
	112.10
Sanrajnayan Investments Pvt Ltd	**(35.00)**
	35.00
Finance given including equity / (re-payment of loans & advances) - Net	
Bombay Forgings Ltd	**2.79**
	(9.33)
Shares Received on Demerger	
Mukand Sumi Special Steel Ltd	**147.58**
	-
Share allotment on account of Merger (paid up value)	
Jamnalal Sons Pvt Ltd	**0.54**
	-
Bajaj Sevashram Pvt Ltd	**0.04**
	-
Niraj Bajaj	**0.16**
	-
Other Promoter Group	**0.05**
	-
Balances at the close of the year:	
i) Amount Receivable (net of ECL/ amount written off)	
Bombay Forgings Ltd	**-**
	0.55
Mukand Sumi Metal Processing Ltd	**-**
	42.79
Mukand Sumi Special Steel Ltd	**34.31**
	25.49
Kalyani Mukand Ltd	**-**
	0.26
Bajaj Allianz General Insurance Co Ltd	**0.75**
	-
ii) Amount Payable	
Hospet Steels Ltd	**11.67**
	8.22
Mukand Sumi Metal Processing Ltd	**-**
	6.07
Mukand Sumi Special Steel Ltd	**3.25**
	11.07
Bachharaj & Company Pvt Ltd	**-**
	0.03
Remuneration to Key Management Personnel/Exp payable to Relatives of KMP	**0.14**
	0.17
Hind Musafir Agency Ltd	**0.05**
	-
iii) Amount Receivable in respect of loans & advances	
Bombay Forgings Ltd	**-**
	15.80
Stainless India Ltd	-
	0.02
Mukand Sumi Special Steel Ltd	**28.33**
	-
iv) Amount Payable in respect of loans & advances	
Jamnalal Sons Pvt Ltd	**-**
	624.12
Mukand Sumi Special Steel Ltd	**85.57**
	-
Bachharaj & Company Pvt Ltd	**-**
	188.80
Bajaj Sevashram Pvt Ltd	**-**
	116.81
Sanrajnayan Investments Pvt Ltd	**-**
	35.08
FDs / interest thereon from Relatives of a Director/KMP	**-**
	0.25
Guarantees given by the Company	
Mukand Sumi Special Steel Ltd	**353.92**
	450.02
Guarantee given to the Company's Banker	
Jamnalal Sons Pvt Ltd	**1,950.00**
	2,200.00

Notes: Figures in bold type relate to the current year and figures in normal type relate to previous year.

The aforesaid amount does not include amount in respect of Gratuity and Leave for KMP who were employed throughout the year as the same is not determinable.

*The transactions pertaining to alloy steel business up to effective date of demerger of Mukand Sumi Metal Processing Limited(MSMPL) have been allocated by MSMPL to Mukand Sumi Special Steel Ltd. (MSSSL). However, RPT with MSMPL and MSSSL are reported on actual basis.

Notes forming part of consolidated financial statements (Contd.)

NOTE 44: MONETIZATION OF ASSETS :

During the year under report Mukand Ltd (the Company) has

a) Received on 19th September 2022 Rs.0.88 crore from MIFZE towards repatriation of capital (1 share of 1 Million Dhiram each) pursuant to closure of operation and liquidation.

b) The company has completed the transfer of 45.94 acres of surplus land at our Kalwe / Dighe facility in Thane District on January 5, 2023. This transaction has been accounted and the resultant surplus has been included in Other Income.

NOTE 45: EMPLOYEE BENEFITS

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for earned leave and sick leave.

The compensated absences charged/(written back) in the Statement of Profit and Loss for the year ended March 31, 2023 based on actuarial valuation is Rs. 0.31 Crore (previous year Rs. (1.99) crore).

(b) Post employment obligations

Defined contribution plans

The Group also contributes on a defined contribution basis to employees' provident fund and superannuation fund.

Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund (an exempted Trust). The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(Rs. in crore)

Particulars	**For the Year Ended 31st March, 2023**	For the Year Ended 31st March, 2022
Employer's Contribution to PF	**6.79**	6.98
Employer's Contribution to FPF	**1.90**	1.70
Employer's Contribution to EDLI	**0.38**	0.72
Employer's Contribution to ESIC	**0.04**	0.05
Employer's Contribution to Maharashtra Labour Welfare fund	**0.07**	0.10
Employer's Contribution to Superannuation Fund	**3.51**	3.84

Defined benefit plans

Gratuity

The Company provides for gratuity for employees as per Company's Scheme/s. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is based the employees last drawn basic salary, special allowance and dearness allowance per month and as per the Schemes applicable to those employees from time to time. The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

The actuarial valuation of the defined benefit obligation(DBO) was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs. in crore)

	Defined benefit plans (the figures for previous year have been recast on receipt of final certificate from LIC)	**For the year ended March 31, 2023**	For the year ended March 31, 2022
		Gratuity (funded)	Gratuity (funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current Service Cost	**2.57**	2.73
	Past Service Cost	**5.00**	1.57
	Expected return on plan assets	**-**	-
	Interest cost on benefit obligation	**2.12**	1.62
	Total Expenses	**9.69**	5.92

Notes forming part of consolidated financial statements (Contd.)

Defined benefit plans (the figures for previous year have been recast on receipt of final certificate from LIC)	For the year ended March 31, 2023 Gratuity (funded)	For the year ended March 31, 2022 Gratuity (funded)
II Expenses recognised in OCI		
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	**(0.93)**	(1.45)
Actuarial (Gain)/ Losses due to Experience on DBO	**1.31**	3.56
Return on plan assets, excluding amount recognised in net interest expense	**0.05**	(0.03)
Total Expenses	**0.43**	2.08
III Net Asset /(Liability) recognised as at balance sheet date:		
Present value of defined benefit obligation	**(57.17)**	(54.01)
Fair Value of Plan Assets (For the year 2019-20, it is as estimated by Trustees in absence of certificates from LIC)	**26.71**	27.87
Funded status [Surplus/(Deficit)]	**(30.46)**	(26.14)
IV Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**54.01**	53.24
Current Service Cost	**2.72**	2.73
Past service cost / acquisition adjustment	**3.87**	-
Interest Cost	**4.11**	3.59
Actuarial (Gain)/Loss	**0.23**	2.10
Benefits paid	**(7.77)**	(7.65)
Present value of defined benefit obligation at the end of the year	**57.17**	54.01
V Movements in fair value of the plan assets		
Opening fair value of plan assets	**27.87**	29.07
Investment income	**1.99**	1.97
Return on plan assets, excluding amount recognised in net interest expense	**(0.05)**	0.22
Contribution from Employer	**4.54**	4.26
Benefits paid	**(7.72)**	(7.65)
Transfer in	**0.08**	-
Closing fair value of the plan asset	**26.71**	27.87
VI Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	**9.90**	11.01
Between 2 and 5 years	**25.21**	21.01
Between 6 and 10 years	**29.76**	27.41
More than 10 years	**38.41**	38.23
VII Quantitative sensitivity analysis for significant assumptions is as below:		
1 Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) +100 basis points increase in discount rate	**(3.44)**	(3.34)
(ii) -100 basis points decrease in discount rate	**3.88**	3.79
(iii) +100 basis points increase in rate of salary increase	**3.98**	3.87
(iv) -100 basis points decrease in rate of salary increase	**3.58**	(3.46)

2 Sensitivity analysis method

Sensitivity analysis performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Notes forming part of consolidated financial statements (Contd.)

(Rs. in crore)

Defined benefit plans (the figures for previous year have been recast on receipt of final certificate from LIC)			For the year ended March 31, 2023	For the year ended March 31, 2022
			Gratuity (funded)	Gratuity (funded)
VIII	**Actuarial Assumptions:**		**As at March 31, 2023**	As at March 31, 2022
	1	Discount rate	**7.40%**	7.10 % to 7.15%
	2	Expected rate of salary increase	**4.00% p.a. to 5.00% p.a.**	4.00% p.a. to 7.00% p.a.
	3	Attrition rate	**2.00%**	0.80% to 2%
	4	Mortality	**Indian Assured Lives Mortality (2012-14) Ultimate**	Indian Assured Lives Mortality (2012-14) Ultimate

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The gratuity fund of Mukand Limited is managed by Life Insuance Corporation of India insurance company, details of fund invested by insurer are not available with company.

d) The Company expects to make a contribution of Rs. 5.15 Crore to the defined benefit plans (gratuity - funded) during the next financial year.

e) The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years.

f) The above disclosures for the year ended March 31, 2022 does not include amounts for employees of amalgamated entities.

Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time) and Company's Schemes for different category of employees. There is a risk of change in regulations requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of Rs. 20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to the market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Notes forming part of consolidated financial statements (Contd.)

NOTE 46: RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

(Rs. in crore)

Particulars	Opening Balance	Cash Movement	Foreign exchange changes	Fair value changes	Others	Closing Balance
March 31, 2023						
Fixed Deposits	**16.46**	**26.58**	**-**	**-**	**-**	**43.04**
Working capital loans from Banks	**-**	**-**	**-**	**-**	**-**	**-**
Preference Share Liability	**5.63**	**-**	**-**	**-**	**-**	**5.63**
Borrowings (secured & unsecured)	**2014.68**	**(558.45)**	**-**	**-**	**-**	**1,456.23**
Lease liability	**-**		**-**	**-**		**-**
Total	**2,036.77**	**(531.87)**	**-**	**-**	**-**	**1,504.90**
March 31, 2022						
Fixed Deposits	0.48	15.98	-	-	-	16.46
Working capital loans from Banks	5.67	(5.67)	-	-	-	-
Preference Share Liability	5.15	-	-	-	0.48	5.63
Borrowings (secured & unsecured)	2,076.85	(62.17)	-	-	-	2,014.68
Lease liability	-		-	-	-	-
Total	2,088.15	(51.86)	-	-	0.48	2,036.77

These cash movements are included in the cash flow statement under cash flow from financing activities.

NOTE 47 : FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
1	**Financial Assets and Liabilities as at March 31, 2023**								
a	**Non-Current Financial Assets**								
	Investments in Quoted Equity Instruments	1.35			**1.35**	1.35		-	1.35
	Other Financial Assets			18.43	**18.43**			-	-
b	**Current Financial Assets**								
	Trade Receivable			462.91	**462.91**			-	-
	Cash & Cash Equivalents			39.36	**39.36**			-	-
	Other Bank Balance			2.43	**2.43**			-	-
	Loans			50.57	**50.57**			-	-
	Other Financial Assets			78.93	**78.93**			-	-
	Current Investment	157.59			**157.59**	10.01		147.58	157.59
	Total	**158.94**	**-**	**652.63**	**811.57**	**11.36**	**-**	**147.58**	**158.94**
c	**Non-current Financial liabilities**								
	Borrowings			1,448.39	**1,448.39**			-	-
	Other Financial Liabilities			0.25	**0.25**			-	-
d	**Current Financial liabilities**								-
	Short term borrowings			56.23	**56.23**			-	-
	Trade Payables			536.18	**536.18**			-	-
	Other Financial Liabilities	-		44.65	**44.65**		-	-	-
	Total	**-**	**-**	**2,085.70**	**2,085.70**	**-**	**-**	**-**	**-**

Notes forming part of consolidated financial statements (Contd.)

		Carrying Amount				Fair Value			
		FVTPL	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
2	Financial Assets and Liabilities as at March 31, 2022								
a	Non-Current Financial Assets								
	Investments in Quoted Equity Instruments	1.13			1.13	1.13		-	1.13
	Other Financial Assets			26.93	26.93			-	-
b	Current Financial Assets								
	Trade Receivable			492.15	492.15			-	-
	Cash & Cash Equivalents			42.30	42.30			-	-
	Other Bank Balance			167.46	167.46			-	-
	Loans			52.51	52.51			-	-
	Current Investment	-		-	-			-	-
	Other Financial Assets			144.41	144.41			-	-
	Total	1.13	-	925.76	926.89	1.13	-	-	1.13
c	Non-current Financial liabilities								
	Borrowings			885.69	885.69			-	-
	Other Financial Liabilities			0.25	0.25			-	-
d	Current Financial liabilities								-
	Short term borrowings			1,150.58	1,150.58			-	-
	Trade Payables			508.39	508.39			-	-
	Other Financial Liabilities	0.70		40.56	41.26		0.70	-	0.70
	Total	0.70	-	2,585.47	2,586.17	-	0.70	-	0.70

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these receivables.

c) The fair values for investment in equity shares other than quoted equity shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

d) The fair value of the Equity Investments which are quoted, are derived from quoted market prices in active market.

e) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. 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.

Level 2: The fair value of financial instruments that are not traded in an active market 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Notes forming part of consolidated financial statements (Contd.)

48 FINANCIAL RISK MANAGEMENT

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Director of the Company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has in place adequate Internal Financial Controls with reference to financial statements and such internal financial controls are operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial statements.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i. Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The ageing analysis of trade receivables (net of provision) has been considered from the date the invoice falls due -

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivable		
0 to 180 days due past due date (including not due)	**471.20**	496.32
More than 180 days upto 1 year past due date	**2.54**	2.51
More than 1 year upto 2 years past due date	**4.05**	2.77
More than 2 year upto 3 years past due date	**0.05**	1.21
More than 3 years past due date	**37.13**	30.17
Total	**514.97**	532.98
Less : Provision for Expected Credit Loss / Doubtful Debts		
0 to 180 days due past due date (including not due)	**(20.25)**	(10.42)
More than 180 days upto 1 year past due date	**(2.54)**	(2.51)
More than 1 year upto 2 years past due date	**(4.05)**	(1.86)
More than 2 year upto 3 years past due date	**(0.05)**	(1.09)
More than 3 years past due date	**(25.17)**	(24.95)
Total	**(52.06)**	(40.83)
	462.91	492.15

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The Group does not have any disputed trade receivable as on 31st March 2023 (previous year: Nil)

Notes forming part of consolidated financial statements (Contd.)

The following table summarizes the changes in loss allowances measured using life time expected credit loss model for trade and Other Receivables -

(Rs. in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Provision	**66.91**	71.00
Provision during the year	**81.60**	7.31
Reversal of provision	**-**	(11.40)
Closing provision	**148.51**	66.91

iii. Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 41.79 crores at March 31, 2023 (March 31, 2022: Rs 209.76 crores [including Rs 161.46 crores being Short Term Fixed Deposit in Escrow Account]). The same are held with banks with good credit rating.

iv. Others

Other than trade financial assets reported above , the Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. in crore)

Contractual maturities of financial liabilities 31st March 2023	1 year or less	1-2 years	More than 2 years	Total
Non-Derivative				
Long term borrowings	**0.12**	**16.04**	**1,426.88**	**1,443.04**
Preference Share Capital	-	-	5.63	5.63
Short term borrowings	56.23	-	-	56.23
Trade payables	536.18	-	-	536.18
Other financial liabilities	44.53	-	0.25	44.78
Total	**637.06**	**16.04**	**1,432.76**	**2,085.86**
Derivatives	265.69			265.69
Total	**265.69**	**-**	**-**	**265.69**

(Rs. in crore)

Contractual maturities of financial liabilities 31st March 2022	1 year or less	1-2 years	More than 2 years	Total
Non-Derivative				
Long term borrowings	1,000.39	-	880.13	1,880.52
Preference Share Capital			5.63	5.63
Short term borrowings	150.62			150.62
Trade payables	508.39			508.39
Other financial liabilities	40.87		0.25	41.12
Total	1,700.27	-	886.01	2,586.28
Derivatives	273.08			273.08
Total	273.08	-	-	273.08

Notes forming part of consolidated financial statements (Contd.)

(ii) The ageing analysis of trade payables-

(Rs. in crore)

Particulars		31-Mar-23		31-Mar-22
Dues to Micro Enterprises and Small Enterprises		**29.15**		13.11
Not Due and upto 1 yr(not overdue)				
Other than to Micro Enterprises and Small Enterprises				
Acceptances Not Due and upto 1 yr		**0.14**		35.31
Trade Payables Not Due and upto 1 yr	**502.85**		453.95	
Trade Payables >1 yr upto 2 yr	**0.94**		0.76	
Trade Payables >2 yr upto 3 yr	**0.27**		0.98	
Trade Payables >3 yr	**2.83**		4.28	
		506.89		459.97
Total Other than to Micro Enterprises and Small Enterprises		**507.03**		495.28
Total		**536.18**		508.39

The Company does not have any disputed trade payable as on 31st March 2023 (previous year: Nil).

C Market risk

Market risk is the risk that changes in market prices, such as interest rates (interest rate risk), will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

D Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in crore)

Particulars	31st March, 2023	31st March, 2022
Variable rate borrowings	**1,400.00**	1,000.00
Fixed rate borrowings	**104.72**	1,036.67
	1,504.72	2,036.67

F Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

(Rs. in crore)

Particulars	31st March, 2023	31st March, 2022
Interest rates – increase by 100 basis points *	**10.48**	7.48
Interest rates – decrease by 100 basis points *	**(10.48)**	(7.48)

* Holding all other variables constant

G Foreign Exchange Risk

Foreing exchange risk arises on future commercial transcations and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely and accordingly suitable hedges are taken. The Company's foreign currency exposure arises mainly from foreign exchange imports and exports primarily with respect to USD and EURO. Additionally, there are transaction which are entered into in other currencies are not significant in relation to total volume of the foreign currency exposures.

Notes forming part of consolidated financial statements (Contd.)

i) Derivative instruments outstanding:

(Rs. in crore)

Particulars	As at 31-Mar-2023 Foreign Currency		Equivalent (Rupees)	As at 31-Mar-2022 Foreign Currency		Equivalent (in Rs.)
For Imports	**USD**	**2.34**	**192.83**	USD	2.61	198.92
	EURO	**0.01**	**1.24**	EURO	-	-
For Exports	**USD**	**0.31**	**26.43**	USD	0.27	20.55
	EURO	**0.49**	**44.91**	EURO	0.63	53.61

ii) Foreign Currency exposure that are not hedged by derivative instruments:

Rs. in crore

	Trade Receivables	Equiv Rs.	Trade Payables	Equiv Rs.	Others	Equiv Rs.	Total	Equiv Rs.
USD	**-**	**-**	**0.01**	**0.68**	**-**	**-**	**0.01**	**0.68**
	0.02	1.39	0.02	1.34	0.01	1.01	0.05	3.73
EURO	**-**	**-**	**0.02**	**1.71**	**-**	**-**	**0.02**	**1.71**
	-	-	0.02	1.73	-	-	0.02	1.73
Others*	**-**	**-**	**0.15**	**0.10**	**-**	**-**	**0.15**	**0.10**
	-	-	0.00	0.11	-	-	0.00	0.11
					Total 2022-23		**0.17**	**2.49**
					Total 2021-22		0.07	5.57

*Others mainly includes currencies namely Japanese Yen, Australian Dollar, Omani Rial

Figures in Bold type relate to current year and figures in normal type relate to previous year.

iii) Sensitivity if the Exchange rate moves upward / downward by Rs. 1/-

Rs. in crore

Liability Movement	Increase	Decrease
Upward movement	**0.03**	
	0.07	
Downward movement		**(0.03)**
		(0.07)

NOTE 49: FINANCIALS RATIOS

		Refer Note	31-Mar-23	31-Mar-22
1	Current Ratio Current Assets / Current Liabilities	**(b)**	**3.04**	1.33
2	Net Debt Equity Ratio Net Debt = Non Current & Current Borrowings - Current Investments - Cash & Cash Equivalents Equity = Equity Capital + Other Equity	**(a)**	**1.53**	2.74
3	Debt service coverage ratio EBIDTA / (Net Finance Charges + Net changes in Non Current Borrowings & Current Maturities	**(d)**	**0.65**	2.93
4	Return on Equity % PAT / Average Equity	**(e)**	**22.60%**	30.09%
5	Inventory turnover ratio COGS / Average Inventory	**(b)**	**3.85**	3.43
6	Debtors turnover ratio Revenue from Operations / Average Debtors	**(b)**	**11.66**	9.07
7	Trade Payables turnover ratio Purchases / Average Trade Payables	**(b)**	**11.12**	9.88

Notes forming part of consolidated financial statements (Contd.)

		Refer Note	31-Mar-23	31-Mar-22
8	Net Capital turnover ratio Working Capital / Revenue from Operations	(b)	0.21	0.24
9	Net Profit ratio (%) Total Comprehensive Income / Total Income	(e)	2.80%	3.68%
10	Return on Capital Employed EBIT /Capital Employed	(a) & (c)	13.80%	11.80%
11	Return on Investment Dividends+Fair Value changes in Current Investments / Current Investments	(c)	11.69%	0.88%

Note :

a There are improvements in the leverage ratios primarily due to increase in profitability and reduction of debt during the year

b There are improvements in the Working Capital ratios primarily due to increase in turnover during the year

c There are improvements in the profitability ratios primarily due to increase in turnover & profitability during the year

d Due to repayment of debt DSCR was low.

e Improvement in Average Equity/ Total Income.

NOTE 50 : SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2023

A. Primary Segment - (Business Segment) : **(Rs. in crore)**

Sr. No.	Particulars	2022-23	2021-22
1	**Segment Revenue**		
	Specialty Steel	5,429.42	4,537.16
	Industrial Machinery & Engineering Contracts	140.33	113.40
	Less : Inter Segment Revenue	(2.15)	(7.59)
	Total Segment Revenue	5,567.60	4,642.97
2	**Segment Result**		
	Specialty Steel	389.56	240.94
	Industrial Machinery & Engineering Contracts	(22.25)	(39.88)
	Less : Inter Segment Revenue	(0.36)	(1.26)
	Total Segment Result	366.95	199.80
	Add : Interest Income	12.44	9.05
	Other Income	21.28	100.56
	Share in Profits of Associates and Joint Ventures	(6.51)	9.90
	Less : Unallocable Expenditure	(44.91)	(7.10)
	Profit / (Loss) before Finance cost	349.25	312.21
	Less : Finance Cost	(176.97)	(161.25)
	Profit / (Loss) before Tax	172.27	150.96
3	**Segment Assets / Liabilities**	As at 31-Mar-23	As at 31-Mar-22
	(i) Segment Assets		
	Specialty Steel	2,419.67	2,653.48
	Industrial Machinery & Engineering Contracts	253.66	396.70
	Asset Held for Sale	18.81	107.85
	Un-allocated Assets	501.11	381.90
	Total Assets	3,193.25	3,539.93
	(ii) Segment Liabilities		
	Specialty Steel	634.71	679.74
	Industrial Machinery & Engineering Contracts	103.98	74.18
	Un-allocated Liabilities	1,600.78	2,119.55
	Total Liabilities	2,339.47	2,873.47
4	**Total Net Capital Employed**	853.78	666.46

Notes forming part of consolidated financial statements (Contd.)

B. Secondary Segment - (Information of Geographical Areas) :

(Rs. in crore)

Particulars	2022-23	2021-22
Segment Revenue		
India	**5,079.56**	4,410.48
Rest of the World	**488.04**	232.49
	5,567.60	4,642.97
Non Current Assets #		
India	**568.11**	610.93
Rest of the World	**-**	-

other than financial instruments, deferred tax assets, post-employment benefit assets.

C. Other Disclosure

Business segment has been disclosed as primary segment.

Types of products and services in each business segment:

1 - Steel – billets, blooms, rounds, wire rods, bars, rods and sections, bright bars and wires of special & alloy steel and stainless steel.

2 - Industrial Machinery and Engineering Contracts - EOT and other cranes, steel structurals, material handling equipment, processing plant and equipment, etc.

3 - Others - Comprise Segments of Road Construction, property development and income from operations of Non-banking Financial Activities.

The segments as reported above include trading activity of the respective segments.

The Segment Information include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

During the year ended 31-03-2023 at group level company made sale to two group customers in Steel Segment of Rs.3,498.93 crore (PY one group company Rs.955.18 crore) resulting into more than 10 % of the total group revenue.

Notes forming part of consolidated financial statements (Contd.)

NOTE 51 : STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS.

(Rs. in crore)

Sr. No.	Name	Net Assets				Share in Profit or (Loss)				Share in Other Comprehensive Income				Share in Total Comprehensive Income			
		31-Mar-23		31-Mar-22		2022-23		2021-22		2022-23		2021-22		2022-23		2021-22	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Mukand Limited - Holding Company	103.24%	881.48	111.10%	740.47	107.98%	185.48	51.97%	91.62	1304.55%	5.74	158.02%	(2.56)	111.03%	191.22	50.98%	89.06
A	**Subsidiaries**																
(a)	**Indian**																
(i)	Mukand Sumi Metal Processing Ltd. (MSMPL)	9.48%	80.98			(3.79%)	(6.50)			13.64%	0.06			(3.74%)	(6.44)		
(b)	**Foreign**																
(i)	Mukand International FZE (MIFZE)	0.00%	-	0.16%	1.05	(0.13%)	(0.23)	(0.64%)	(1.12)	9.09%	0.04	42.59%	(0.69)	(0.11%)	(0.19)	(1.04%)	(1.81)
B	**Joint Ventures**																
(ii)	Mukand Sumi Metal Processing Ltd. (MSMPL)			18.53%	123.51		(6.51)	(0.40%)	(0.70)		-	(1.23%)	0.02		(6.51)	(0.39%)	(0.68)
(iii)	Hospet Steels Ltd. (HSL)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
C	**Associates**																
(i)	Bombay Forgings Ltd. (BFL)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
(ii)	Stainless India Ltd. (SIL)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Total	112.73%	962.46	129.79%	865.03	100.27%	172.24	50.93%	89.80	1327.27%	5.84	199.38%	(3.23)	103.40%	178.08	49.56%	86.57
	Intercompany elimination and consolidation adjustments	**(12.73%)**	**(108.68)**	(29.79%)	(198.57)	**(0.27%)**	**(0.46)**	49.07%	86.51	(1227.27%)	(5.40)	(99.38%)	1.61	(3.40%)	(5.86)	50.44%	88.12
	Total	**100%**	**853.78**	100%	666.46	**100%**	**171.78**	100%	176.31	**100%**	**0.44**	100%	(1.62)	**100.00%**	**172.22**	100.00%	174.69

Notes forming part of consolidated financial statements (Contd.)

NOTE : 52

I Disclosure of transaction with struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with the Company struck-off under section 248 of the Companies Act, 2013.

(Rs in crore)

Name of struck off Company	Nature of transactions with struck-off Companies	Relationship with the struck-off Company	Balance as on March 31, 2023	Balance as on March 31, 2022
AMARDEEP METALS (st.)	Sale of goods	Customer		-
YOGESHWAR INDUSTRIES	Sale of goods	Customer		-
ANUPAM STEELS	Sale of goods	Customer		0.01
ABB POWER PRIVATE LIMITED	Purchase of goods	Vendor	-	-
MELFRANK ENGINEERS	Purchase of goods	Vendor	-	-
PROMPT SECURITY SERVICES	Services Received	Vendor	-	(0.00)
PALS SPECALISED TOOLING SYSTEM PRIVATE LIMITED	Purchase of goods	Vendor	-	(0.01)

Details of other struck off entities holding equity shares in the Company is as below:

(Amount in Rs)

Name of struck off Company	No's of Share Held 31-03-2023	Paid up Capital As at March 31, 2023	No's of Share Held 31-03-2022	Paid up Capital As at March 31, 2022
SATIDHAM INDUSTRIES PVT.LTD.	**8,200**	**82,000**	8,200	82,000
RONAK FABRICS PVT. LTD	**1,500**	**15,000**	1,500	15,000
GLOBAL EMERGING MARKETS INDIA LTD	**486**	**4,860**	486	4,860
ALCOZIN INDIA PVT LTD	**121**	**1,210**	101	1,010
GAGAN TRADING CO LTD	**80**	**800**	80	800
POPULAR STOCK & SHARE SERVICES LTD	**80**	**800**	80	800
ATLANTIC SECURITIES PVT LTD	**24**	**240**	24	240
DHURMAL BAJAJ HLD. & TRA. PVT LTD	**23**	**230**	-	-
VAISHAK SHARES LIMITED	**3**	**30**	3	30
SPLASH TECHNOLOGIES PVT LTD	**-**	**-**	1	10

II The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

III The Company have no 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).

IV The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

V The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette in September 2020 which could impact the contribution by the Company towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.

VI Disclosure with respect to monthly / quarterly statement of Current assets filed with Bank

The Company has not availed any secured loans facilities from bank, hence the company is not required to file monthly/ quarterly returns or statements with the banks.

VII In view of the aggregate losses as calculated in accordance Sec 135 and 198 of the companies Act,2013 during last 3 years immediately preceding financial years,the company is not required to incur any expenditure in pursuance of the CSR policy for the FY 2022-23.(Previous year : NIL).

Notes forming part of consolidated financial statements (Contd.)

NOTE 53 : OTHER NOTES

(i) Accounting of Scheme of Amalgamation :

Petitions filed with National Company Law Tribunal (NCLT) for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited (MGFL) with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited (MEL), an Associate with the Company has been approved by NCLT on April 29, 2022 and a certified copy of the order has been filed with the Registrar of Companies, Mumbai Maharashtra, on May 31, 2022. The Scheme is made effective from the appointed date April 1, 2019.

Though the appointed date of MGFL for amalgamation as per the NCLT approved Scheme is April 1, 2019, as per the requirements of Appendix C to Ind AS 103 “Business Combination”, the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts relating to the year 2021-2022 includes the impact of the business combination and the corresponding amounts for the corresponding financial year presented have been restated after recognising the effect of the amalgamation as above.

As regards amalgamation of MEL, an associate, amalgamated from appointed date April 1, 2019 being acquisition date in terms of the NCLT approved Scheme, as per accounting treatment as approved by NCLT, the Company has partially adjusted the difference arising between the consideration paid and aggregate of fair value of net assets taken over as on the appointed date against balance of the Securities Premium arising pursuant to the Scheme in the books of Company.

In accordance with the Scheme of Amalagamation, 30,89,702 equity shares having face value of Rs 10/- each have been allotted to the shareholders of erstwhile Mukand Engineers Limited on June 17, 2022.

The effect of both B21the amalgamation on the amounts of Revenue and Profit after tax published in previous year are as shown below:

Rs. in Crore

Particulars	Year ended 31st March, 2022
Revenue from operations:	
As published in previous periods	4,636.66
As restated for the effect of amalgamation	4,642.97
Profit after tax:	
As published in previous periods	177.42
As restated for the effect of amalgamation	176.31

(ii) Effect of Conversion of Joint Venture in Subsidiary :

In terms of arrangement with Joint Venture partner–Sumitomo Corporation, Japan (SC), Company has purchased 13,377,000 shares of MSMPL from SC. Assets acquired and liabilities assumed on 30th September,2022 is as given below:

Rs in Crore

Particulars	Amount
ASSETS	
Non-current assets	19.91
Current Assets	118.09
(A)	138.00
Less :	
LIABILITIES	
Non-Current Liabilities	0.13
Current liabilities	44.29
(B)	44.42
Net Asset Aquired (A-B)	93.58
Less Cost of Investment on 30th September, 2022	120.81
Goodwill arising on acquisition	27.23

From the date of acquisition, MSMPL contributed Rs 300.65 crore to revenue from operations and a loss of Rs.6.29 crore to the consolidated profit before tax on a pre-consolidation adjustments basis.

Notes forming part of consolidated financial statements (Contd.)

(iii) SIL's operations have been suspended w.e.f. 27.10.2008. For past several years SIL's net worth has been fully eroded. The accounts have however been prepared under going concern assumption.

(iv) Mukand ltd had, during the Financial Year 1998-99, entered into a strategic alliance with Kalyani Steels Limited to set-up a steel plant to be operated by a company – Hospet Steels Limited. Expenses and liabilities arising out of this alliance to Hospet Steels Limited are shared on the basis stipulated in the relevant Agreements, and its accounting in the books of the Mukand is carried out, accordingly. Wherever, due to the terms of the alliance, estimations are required to be made in respect of expenses, liabilities, production, etc., the same have been relied upon by the auditors, being technical matters.

NOTE 54 : Previous Year's figures have been regrouped / recast / restated wherever necessary.

As per our attached report of even date

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W

Atul Paliwal
Partner
Membership No. 401969
Jaipur, May 16, 2023

For and on behalf of the Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

R Sankaran
Director
DIN : 00381139

Dhanesh K Goradia
Chief Financial Officer
Mumbai, May 16, 2023

Rajendra Sawant
Company Secretary

MUKAND LIMITED

(CIN No.: L99999MH1937PLC002726)

Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021

Tel: 022–61216666, E-mail: investors@mukand.com, Website: www.mukand.com

Proxy Form

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L99999MH1937PLC002726
Name of the company	:	MUKAND LIMITED
Registered office	:	Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400021 Tel: 022–61216666, E-mail: investors@mukand.com, Website: www.mukand.com
Name of the member (s)	:	
Registered address	:	
E-mail Id	:	
Folio No/ Client Id /DP Id	:	

I/We, being the member (s) of …………. shares of Mukand Ltd. hereby appoint:

1. Name :………………………………. Address: ……………………..………..
   E-mail Id:…………………………… Signature:…………………..……….. or failing him/her
2. Name :………………………………. Address: ……………………..………..
   E-mail Id:…………………………… Signature:…………………..……….. or failing him/her
3. Name :………………………………. Address: ……………………..………..
   E-mail Id:…………………………… Signature:…………………..………..

as my/our proxy to attend and vote for me/us and on my/our behalf at the 85th Annual General Meeting of the Company, to be held on Friday, August 11, 2023 at 11:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resl. No.	Details of Resolution	Optional	
	Ordinary Business	**For**	**Against**
1.	To consider and adopt the audited standalone financial statements and audited consolidated financial statements of the Company for the year ended March 31, 2023, together with the Report/s of the Board of Directors and the Auditors thereon		
2.	To declare dividend on 8% Cumulative Redeemable Preference Shares at the rate of 8% on paid up value of shares for the financial year ended March 31, 2023		
3.	To declare a dividend on Equity Shares at the rate of Rs.2/- (Rupees Two) per equity share for the financial year ended March 31, 2023		
4.	To appoint a Director in the place of Shri A M Kulkarni, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment		
	Special Business		
5.	To appoint Shri Nirav Bajaj as Whole-time Director and fix remuneration payable to him		
6.	Ratification of Cost Auditor's Remuneration		
7.	General approval for Issue of Redeemable Non-convertible Debentures on private placement basis		

Signed this……… day of……….……. 2023.

Affix Revenue Stamp of Rs.1/-

Signature of shareholder

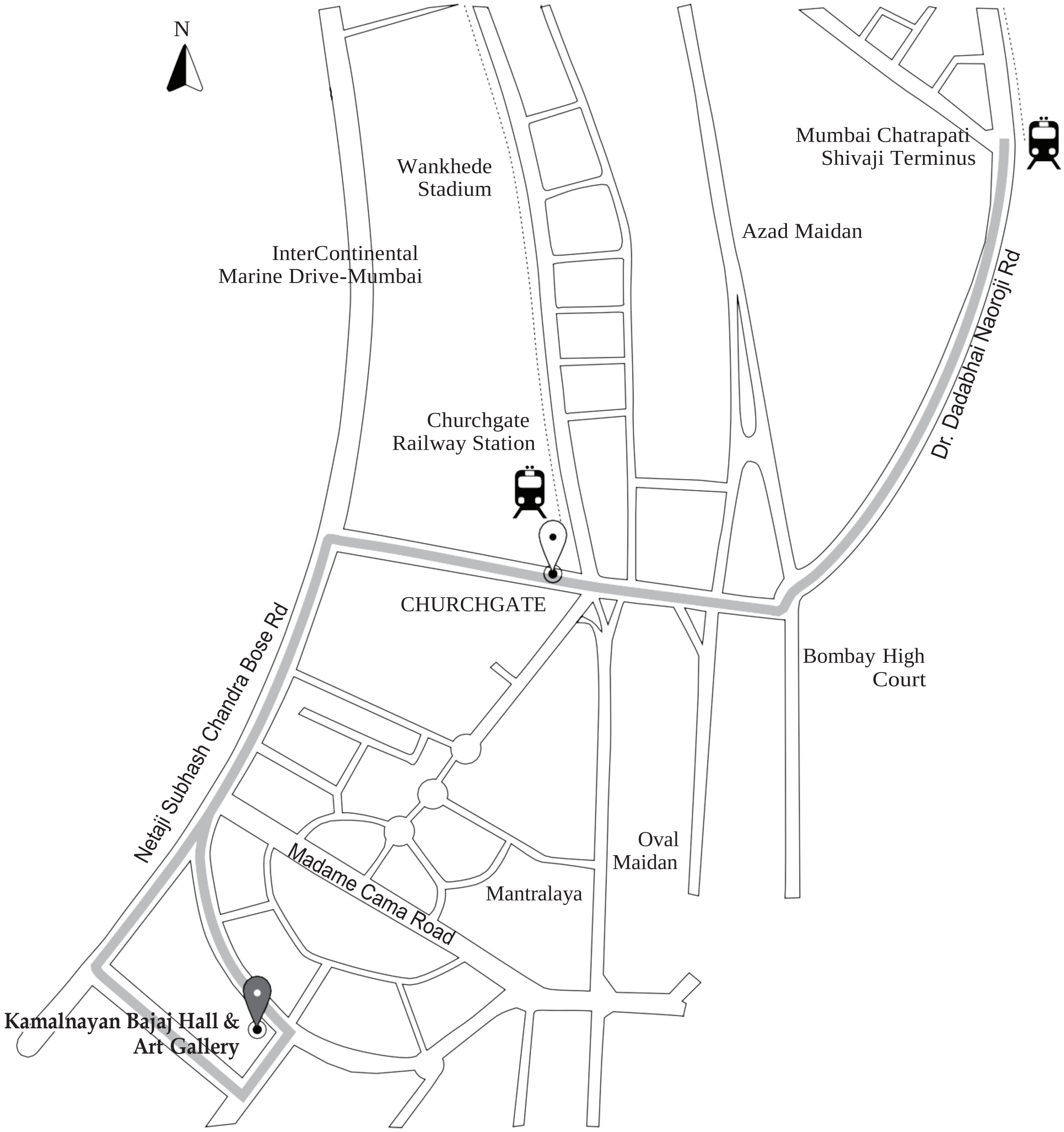
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

As provided under Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the shareholder may vote either for or against each resolution.

Route map to the AGM Venue of:

MUKAND LIMITED
85th Annual General Meeting
Friday, August 11, 2023 at 11:30 a.m.



Venue of AGM:

Kamalnayan Bajaj Hall,
Bajaj Bhavan, Jamnalal Bajaj Marg,
Nariman Point,
Mumbai - 400021
Ph.: 022 6942 4200

MUKAND LIMITED

(CIN: L99999MH1937PLC002726)
Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021
Tel: 022–61216666, E-mail: investors@mukand.com, Website: www.mukand.com

ATTENDANCE SLIP Serial No.

85th ANNUAL GENERAL MEETING HELD ON FRIDAY, AUGUST 11, 2023 AT 11.30 A.M.			
Sr. No.	**Particulars**	**Details**	
1.	Folio No./DP ID No. /Client ID No.		
2.	Name of the Shareholder		
3.	Address of the sole/first named Shareholder		
4.	Names (s) of the Joint holders, if any		
5.	Details of Shareholding	**Class of Shares**	**No. of Shares**
		Equity	
I/We hereby record my/ our presence at the 85th Annual General Meeting of the Company held on Friday, August 11, 2023 at 11:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai-400 021			
Place : Mumbai Date : August 11, 2023 **(Signature of the Shareholder/Proxy/Representative*)**			

*as per Company records

MUKAND LIMITED

(CIN: L99999MH1937PLC002726)
Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021
Tel: 022–61216666, E-mail: investors@mukand.com, Website: www.mukand.com

ATTENDANCE SLIP Serial No.

85th ANNUAL GENERAL MEETING HELD ON FRIDAY, AUGUST 11, 2023 AT 11.30 A.M.			
Sr. No.	**Particulars**	**Details**	
1.	Folio No./DP ID No. /Client ID No.		
2.	Name of the Shareholder		
3.	Address of the sole/first named Shareholder		
4.	Names (s) of the Joint holders, if any		
5.	Details of Shareholding	**Class of Shares**	**No. of Shares**
		Equity	
I/We hereby record my/ our presence at the 85th Annual General Meeting of the Company held on Friday, August 11, 2023 at 11:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai-400 021			
Place : Mumbai Date : August 11, 2023 **(Signature of the Shareholder/Proxy/Representative*)**			

*as per Company records

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HEAD STOCK

Mukand Limited

Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai - 400 021 Maharashtra, India

www.mukand.com