



Expanding

Horizons of Growth



Sarda Energy & Minerals Limited

51st Annual Report 2023-24

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Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Users are requested to consider the same while taking decisions. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

For investor related information and financials, please visit

<http://www.seml.co.in/finance.php>

Or simply scan to download





Our journey of vertical integration and diversification has set the stage for an exciting new chapter

With a robust presence spanning minerals, energy, and metals, we are not just weathering market volatilities but are strategically positioned to capitalize on emerging opportunities. This expansive portfolio allows us to navigate and thrive amidst fluctuations in raw material pricing and availability, ensuring our resilience and growth.

Energy and minerals are at the forefront of our strategic initiatives, driving our transition to value-added energy solutions and highlighting the critical role of minerals in our portfolio. Our commitment to sustainability is evident in our efforts to reduce the carbon footprint of our steelmaking processes, by moving from captive thermal power generation to advanced energy solutions including solar power.

With a remarkable 2X growth over the last four years, we are now on the brink of a transformative leap forward. Our ambitious plans in the energy and minerals sectors should result in rapid, substantial growth, supported by a strong balance sheet and robust cash flows. This quantum leap will redefine our business, offering unparalleled value and growth potential for our stakeholders.

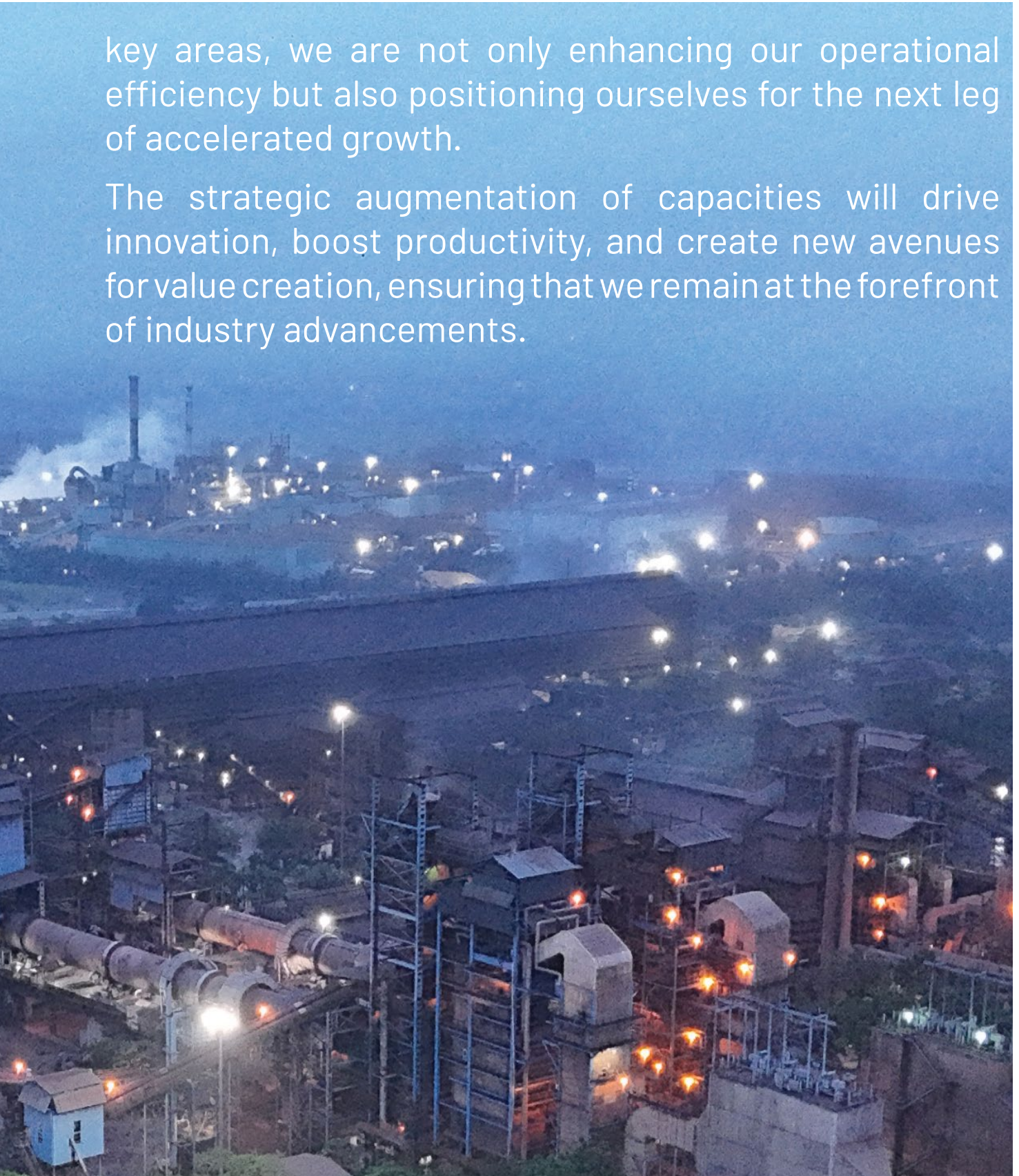
How are we expanding our horizons of growth?

Building on our strategic vision and robust foundation, we are embarking on a transformative journey across minerals, energy, and metals. Our current capacities, both captive and commercial, form the backbone of our operations. By augmenting capacities across these



key areas, we are not only enhancing our operational efficiency but also positioning ourselves for the next leg of accelerated growth.

The strategic augmentation of capacities will drive innovation, boost productivity, and create new avenues for value creation, ensuring that we remain at the forefront of industry advancements.



How are we expanding our horizons of growth?

The Minerals Story



Operational Capacity

1.5 MMT p.a.

Captive mines at Rajnandgaon, Chhattisgarh

Upcoming Capacities

1 block

Surjagad 1, Maharashtra (yet to be operational)

The horizon of growth...

We recently acquired a significant milestone in our commercial endeavours with one unexplored Iron Ore Block Surjagad-1, Maharashtra. Declared as the Preferred Bidder with 126.35% revenue share in May 2023, we, under a Subsidiary, received the Letter of Intent for a composite license in March 2024. This acquisition exemplifies our commitment to expanding our mineral portfolio, setting the stage for sustained growth and increased shareholder value.



Coal mine

2.1 MTPA

Capacity of Bartunga Hill Coal Mine with extractable reserves of 40 MTs

1.80 MTPA

Expected capacity of coal washery, aligned to the incremental mining capacities

Operational Capacities

1.44 MTPA

Gare Palma IV/7

0.96 MTPA

Coal washery capacity

Upcoming Capacities

1.68 MTPA - 5.2 MTPA

Expected capacity of Gare Palma IV/7 after expansion in FY 2024-25, seeking approvals for further enhancement to 5.2 MTPA which will be carried out in phases

0.6 MTPA

Capacity of Shahpur West Coal Mine, Madhya Pradesh, with an extractable reserves of 13.4 MT

0.2 MTPA

Capacity of Kalyani Coal Mine in Chhattisgarh with extractable reserves of 5.8 MTs

The horizon of growth...

We are poised to significantly enhance our coal mining operations, driving the next horizon of growth through strategic initiatives and resource optimization. At the forefront is the Shahpur West Coal Mine in Madhya Pradesh, with extractable reserves of 13.4 million tons and a production capacity of 0.6 million tons per annum. With the necessary environmental and forest clearances already in place, this mine is set to become a key contributor to our resource base. Coal from this mine will effectively replace our imported coal requirement, transforming our cost structure and significantly boosting in-house value.

Additionally, in our commercial mining ventures, the Kalyani and Bartunga mines under the revenue-sharing model represent a major shift. With revenue shares of 4.5% and 18% respectively, these coal mines from SECL will provide much needed high grade coal to substitute high cost imported coal with local customer base.

Furthermore, the establishment of dedicated railway sidings will enhance the efficiency of our coal transportation, solidifying our commitment to operational excellence and sustainable growth.

How are we expanding our horizons of growth?

The Energy Story



Thermal power

Operational Capacities

81.5 MW

Siltara Plant (captive use)

80 MW

Vizag Plant (captive use)

Upcoming Capacities

2*300 MW

Chhattisgarh

The horizon of growth...

We are also optimistic about securing approval for our resolution plan for SKS Power, marking a major milestone in our growth journey. The 600 MW operational plant in Chhattisgarh, strategically located near our Gare Palma IV/7 Coal mine, offers a seamless integration point that will optimize our operations and enhance efficiency. With the Letter of Intent already awarded and court approvals pending, this acquisition will not only expand our energy capacity but also exemplify our commitment to sustainable and integrated growth, driving us forward into a new era of energy excellence.



Solar power

Upcoming capacities

50 MW

Chhattisgarh

The horizon of growth...

Our solar power initiatives are set to play a pivotal role in our growth strategy, emphasizing both sustainability and cost efficiency. We are currently developing a 50 MW solar power plant in Chhattisgarh, for captive consumption. This project will replace costly grid power, significantly reducing our energy expenses. Beyond the financial benefits, this solar initiative underscores our commitment to Environmental, Social, and Governance (ESG) principles, enhancing our sustainability efforts and reinforcing our dedication to responsible and efficient energy use.



Operational Capacities

4.8 MW

Uttarakhand

24 MW

Gullu, Chhattisgarh

113 MW

Sikkim

Upcoming Capacities

24.9 MW

Rehar, Chhattisgarh

24.9 MW

Kotaiveera

The horizon of growth...

All our operational hydro plants are under long-term Power Purchase Agreements (PPA), ensuring a consistent cash flow and a direct contribution to our bottom line. Currently, we are constructing a 24.9 MW plant on the Rehar River in Chhattisgarh, with an expected Commercial Operation Date (CoD) in FY 2024-25. This new plant will further strengthen our cash flows and build a more robust, value-accretive business, reinforcing our commitment to sustainable and profitable growth in the hydro power sector.

We are also initiating steps for starting execution of 24.9 MW Kotaiveera SHP.



Its more than just steel!

Since its establishment in 1973, Sarda Energy has been at the forefront of driving meaningful change and leaving a lasting impact. As a flagship company of the Sarda Group, we have cultivated a rich heritage in the steel industry, positioning ourselves among India's low-cost steel producers. However, our journey has not stopped at steel. Through strategic vertical integration and diversification, we have significantly expanded our footprint in the energy and minerals sectors, reaching a new maturity curve that underscores our evolution.

Our commitment to excellence extends far beyond steel production. By contributing to India's infrastructure development, empowering local communities, and fostering socioeconomic progress, we have consistently demonstrated our dedication in bringing about a positive difference. Today, our operations are a testament to this evolution, showcasing our growth into a multifaceted organization. With a robust presence in energy and minerals, we are driving sustainable growth and development, reinforcing our role as a dynamic and diversified leader in the industry.



Vision

To be a globally respected energy and minerals company creating superior value for our stakeholders on a sustainable basis.



Values

Our values are reflected in:



Quality

We believe in setting benchmarks through the quality of our products and services.



Customer focus

We believe in high customer satisfaction and becoming a part of our customer's success story.



People

We believe in our people and constant upgradation of their skills and leadership capabilities.



Integrity and ethics

We believe in our commitments and strive to achieve high ethical standards.

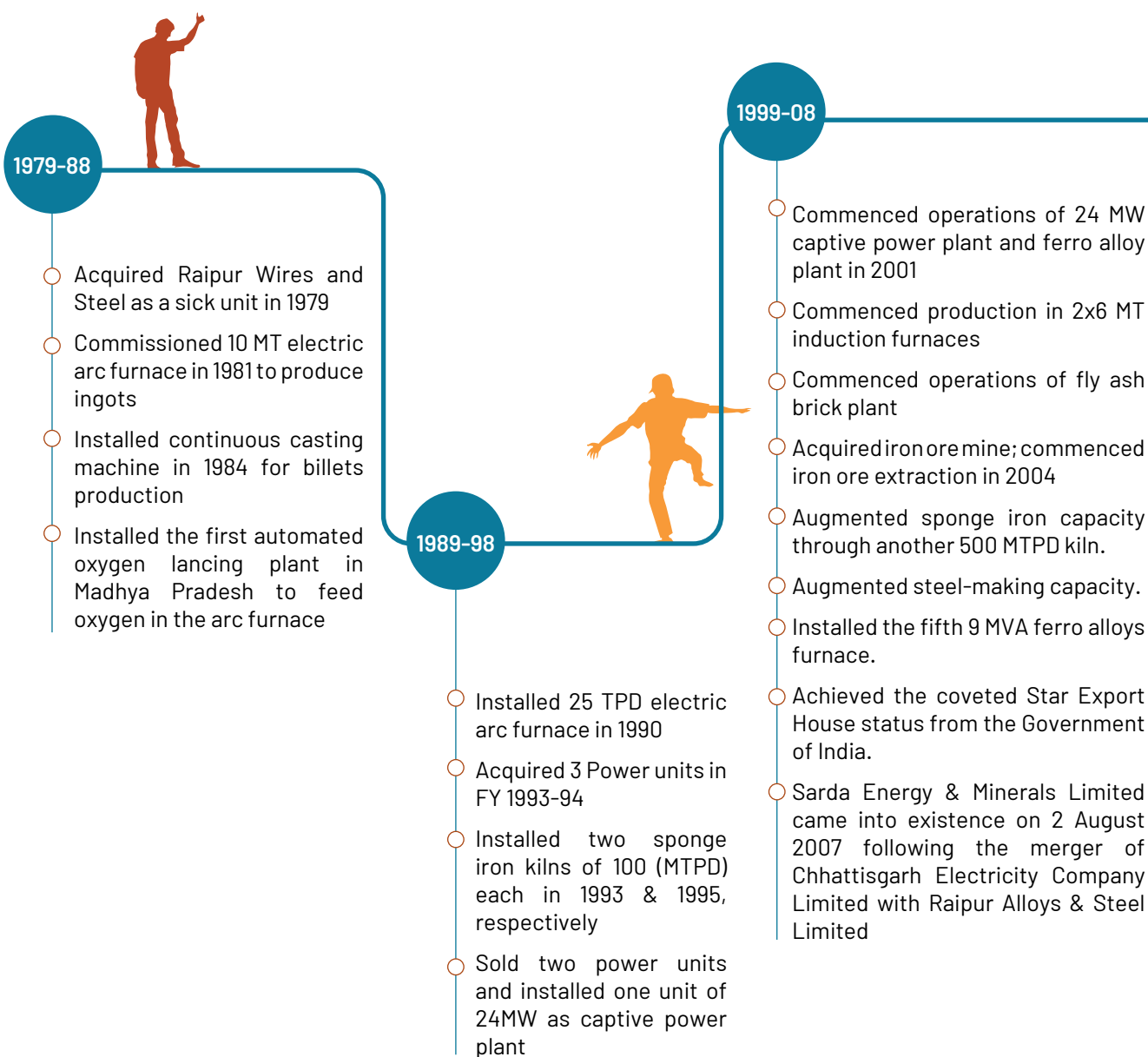


Corporate social responsibility

We believe in caring for our environment and our communities for sustainable development.

Expanding Horizons: Our Success Milestones

Each success milestone reflects our commitment to innovation, growth, and excellence, illustrating how we have continually expanded our horizons over the years.



2008-17

- Commissioned 4.8 MW hydro power plant in 2008-09
- Commenced pellet plant in 2009-10
- Commenced operations of 66 MVA ferro alloys plant and 81.50 MW thermal power plant at Vizag in 2012-13
- Commissioned 24.9 MW hydro power project in July 2017 at Chhattisgarh



2018-23

- Increased billet capacity by 50%
- Increased pellet capacity by 33% in FY21
- Commissioned 113 MW Sikkim hydro power plant in June 21
- Commissioned Gare Palma IV/7 Coal Mine December 2021 with a capacity of 1.2 MMT p.a. and received consent to operate at expanded capacity of 1.44 MMT p.a in May 2023
- Commenced operations of coal washery with capacity of 1 MMT in February 2022
- Increased ferro alloys capacity by 36 MVA in December 2022 at Vizag plant
- Increased wire rod mill capacity from 1,80,000 MT to 2,50,000 MT, in March 2023
- Increased HB Wire capacity from 36,000 MT to 45,000 MT in 2023
- Increased iron ore pellet capacity from 8,00,000 tonnes p.a to 9,00,000 tonnes p.a in December 2023
- Initiated setting up manufacturing of mineral fibre from waste generation in the manufacturing process of ferro alloys at the existing Vizag plant

Expanding Horizons: Unique Value Drivers

Our diversified business operations and strategic advantages contribute seamlessly to our growth story. Our uniqueness drives our value-creation.

Minerals

Raw Materials Security

Iron ore mine and coal mines provide long term stability of raw materials & energy.

Captive Consumption

Iron ore mine meets ~40% and coal mines will meet ~100% of the consumption requirements of the company

Proximity

Iron ore mine are located within 140 kms and coal mines within 200 kms of the end-user plant at Siltara, Chhattisgarh, thereby further improving operational efficiencies.

Commercial Sale

Surplus availability of iron ore will be utilized for commercial sale.



Energy

De-risked from cyclicity

Renewable energy de-risks from cyclicity of metals business.

Robust Financials

Annuity-like revenues from energy business, ensures consistent higher margins and steady cash flows, a natural hedge against cyclical cashflows of metals business.

Metals

Vertical Integration

Vertically integrated producer of long steel products.



Pellets

Produced from iron ore fines & sold domestically

Capacity

9 lac MT

Captive Consumption

25-30%



Sponge Iron

Produced from captive iron ore lumps & pellets

Capacity

3.6 lac MT

Captive Consumption

50-55%



Billets

Produced from sponge iron and scrap

Capacity

3.0 lac MT

Captive Consumption

80-85%



Wire Rods

Hot rolled product made from direct hot billet charging

Capacity

2.5 lac MT

Captive Consumption

15-20%



HB Wires

HB Wires- Wire rods are cold drawn to HB wires to sizes

Capacity

0.45 lac MT



Leadership

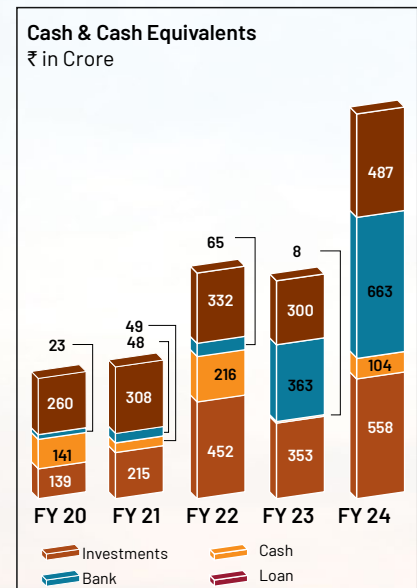
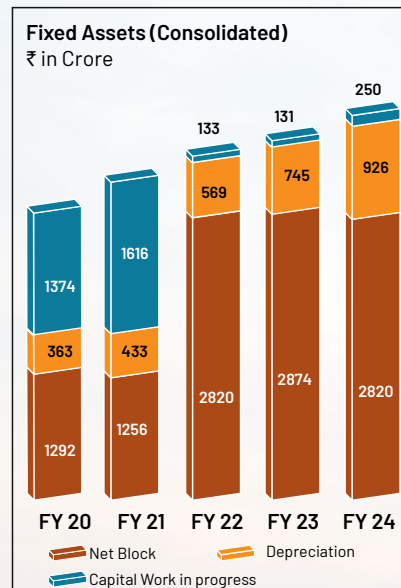
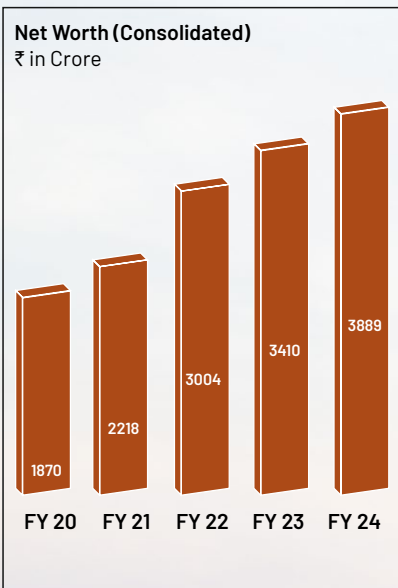
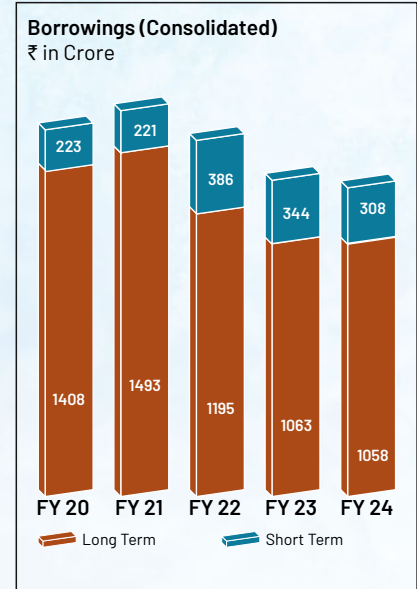
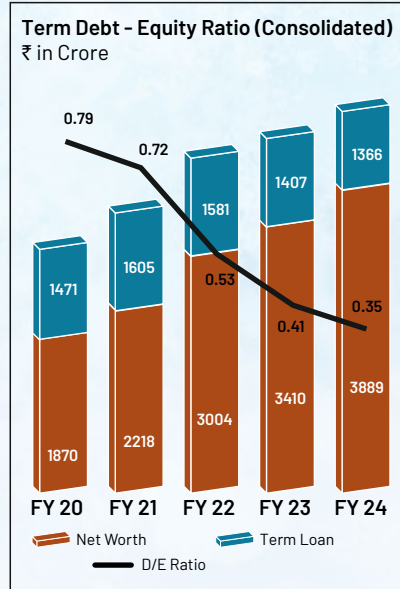
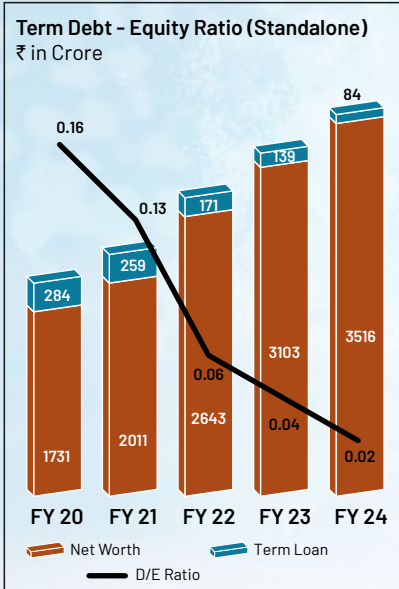
Leading manufacturer and exporter of manganese-based ferro alloys.

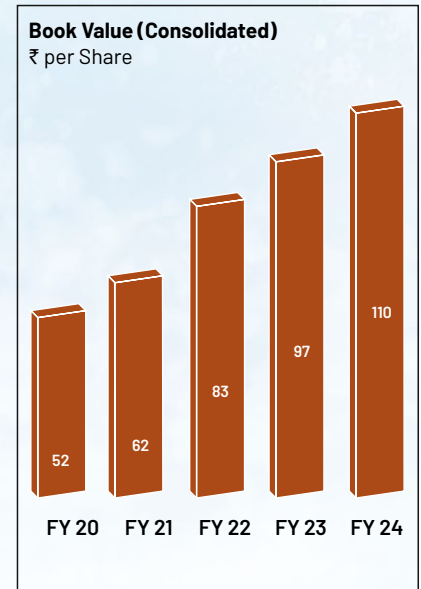
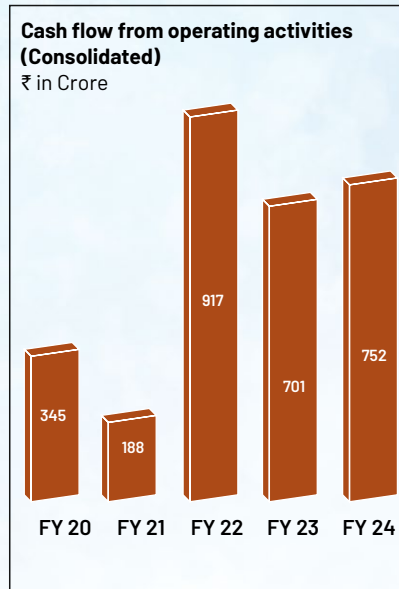
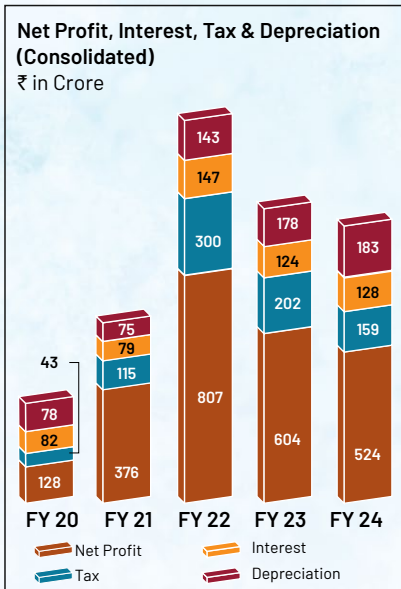
Manganese-based Ferro Alloys			Total
Plant Location	Vishakhapatnam (SMAL)	Siltara, Raipur (SEML)	2 units
Current Capacity	2*33 MVA 1*36 MVA	5*9 MVA	147 MVA
Primary Markets	Exports	Domestic	

Efficiency-driven

Captive inputs like iron ore and coal mines, and dedicated thermal & waste heat power plants help in maintaining consistent quality and cost-effective operations.

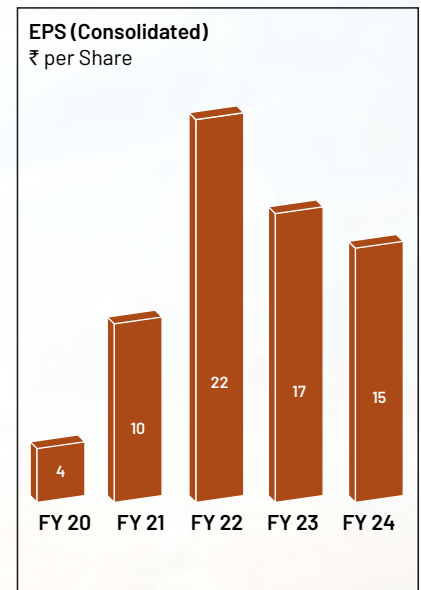
Key Performance Indicators





Operational Highlights

- Highest ever annual production of coal at **14,39,646 MT**
- Highest ever annual production of iron ore pellets at **810,445 MT**
- Highest ever annual production of steel billet at **229,065 MT**
- Highest ever annual production of wire rod at **192,776 MT**
- Highest ever annual production of ferro alloys at **86,084 MT** at Raipur
- Highest ever annual power generation at **635 Mn KWH**





Chairman's Message

Dear Shareholders

We are delighted to present the 51st Annual Report of Sarda Energy & Minerals Limited (SEML). We have strategically built a diversified and de-risked business model that spans the entire value chain. Today, we are a formidable leader in the steel, energy, and mineral sectors, poised to capitalize on new growth opportunities. Moreover, our consistent efforts in developing our minerals and energy businesses have further positioned us to expand to newer horizons of growth.

Reviewing the External Environment

Economies worldwide including China, continue to face significant macroeconomic challenges, prolonged interest rate reversals by central banks, ongoing conflict between Israel and Hamas, high fuel costs, and disruptions in seaborne transport due to attacks in the Red

Sea. Despite these headwinds, the Indian economy remains resilient, buoyed by robust tax collections and increased dividends from the RBI, which have boosted the government finances. This increased government expenditure is expected to drive capital-intensive projects and stimulate the infrastructure sector, thereby boosting demand for steel.

India's steel industry is also poised for sustained growth. In FY 2023-24, the country produced approximately 144 million tons of crude steel, marking a 14.5% increase compared to the previous year. This contrasts sharply with the negative growth of 1.66% in China and the global growth rate of 3.48%. Domestic finished steel consumption also grew by 13% to 136 million tons, supported by government-led infrastructure



initiatives. The Indian steel sector's expansion is underpinned by focused government spending on infrastructure and a resurgence in private investment. During the year, India exported 2.65 million tons of ferro alloys. Thermal and coking coal import saw a sharp rise on back of lower prices.

Reviewing our Performance

Building on this economic landscape, the company achieved revenue of ₹ 3,868 crores, compared to ₹ 4,212 crores in the previous year. This decline is primarily due to lower selling prices year-on-year. Consequently, profit after tax declined from ₹ 603 crores to ₹ 531 crores, reflecting pressure on margins. Despite these challenges, our operational performance reached new heights. We recorded the highest

During the recent fiscal year, our Gare Palma coal mine operated at full capacity, producing 1.44 million tons of coal.

ever production of coal, iron ore pellets, billets, wire rod, ferro alloys, and captive power. However, hydro power generation was lower by 10% due to reduced rainfall in catchment areas and shut down for maintenance in our Uttarakhand project. On the export front, we shipped 115,000 metric tons of ferro alloys worth ₹ 875 crores, compared to 98,000 metric tons worth ₹ 983 crores last year.

Looking ahead, we are taking strategic steps to ensure long-term sustainable margins. These initiatives include productivity improvements, the installation of a solar power project, waste utilization projects, replacing all TG sets with energy-efficient models, and substituting high-cost imported coal with captive coal. The benefits of these efforts will be reflected in the medium to long term, positioning us for sustainable growth and enhanced profitability.

Key Updates of Mines and Minerals Business

During the recent fiscal year, our Gare Palma coal mine operated at full capacity, producing 1.44 million tons of coal. We have successfully received environmental clearance to increase the mining capacity to 1.68 million tons, with the CTE and CTO expected soon. We aim to further boost this capacity to 1.80 million tons within the current financial year. To meet the increased in-house coal requirements following the proposed acquisition of SKS Power, we plan to elevate the mining capacity to 5.20 million tons. The acquisition of SKS Power, a 600-megawatt operational thermal power plant near our coal mine in Raigarh, Chhattisgarh, will create significant operational synergies.

In tandem with these expansions, we propose to increase the capacity of our coal washery from 0.96 million tons to 1.80 million tons initially, with further increases planned as needed to match our growing mining capacity. To optimize the movement of coal and mine refilling materials, we have planned railway siding and related infrastructure at the coal mine, ensuring cost-effective transportation.

Our Indonesian joint venture coal mine produced

5.58 lakh metric tons of coal in FY 2023-24 and 2.24 lakh metric tons in the last quarter. We anticipate production to reach approximately 1 million tons in FY 2024-25.

We have made significant progress with the Shahpur West underground coal mine in Madhya Pradesh. Stage 1 forest clearance and environmental clearance have been received, and we expect to receive Stage 2 forest clearance and the mining lease shortly. Mine development work will commence immediately after obtaining the necessary permissions, positioning us to meet 100% of our high-grade coal requirements from this captive mine, thus shielding us from price fluctuations and the high cost of imported coal.

Additionally, we are advancing the mining plan preparation and approval process for the Kalyani coal mine in Chhattisgarh. We have also formed a joint venture subsidiary company to reopen and operate the Bartunga Hill high-grade coal mine of SECL, further strengthening our presence in commercial coal mining.

Regarding the Surjagarh-1 iron ore mine, we have received a letter of intent for a composite license from the Government of Maharashtra. We are currently securing the necessary approvals, including forest clearance, to commence prospecting work.

These strategic initiatives underscore our commitment to expand our minerals business, ensuring long-term operational synergies, and achieving sustainable growth.

Key Updates of Energy Business

We are pleased to report significant progress in our energy business. For our solar power project, we have acquired the necessary land, and materials have begun arriving on-site. The process for grid connectivity approvals is underway, and we anticipate the plant will be operational by the end of this financial year. In line with our commitment to energy efficiency, we have placed an order to replace our existing 30-megawatt turbine and generator (TG) set with a new, energy-efficient TG set. This upgrade is

By integrating solar power for captive consumption, we aim to significantly reduce our carbon footprint at our manufacturing facilities. Our key strategies include utilizing solar energy, harnessing waste heat, and converting waste materials into valuable products, all of which contribute in making our processes less carbon-intensive and reinforce our commitment to ESG and sustainable practices.

expected to be operational in the first half of FY 2027. Our 25 MW Rehar hydropower project is progressing ahead of schedule. We expect the plant to be operational in the next quarter, allowing us to benefit from part of this year's rainy season, well ahead of the scheduled completion in March 2025. These developments underscore our strategic focus on expanding our energy portfolio

Towards Greater Sustainability

By integrating solar power for captive consumption, we aim to significantly reduce our carbon footprint at our manufacturing facilities. Our key strategies include utilizing solar energy, harnessing waste heat, and converting waste materials into valuable products, all of which contribute in making our processes less carbon-intensive and reinforce our commitment to ESG and sustainable practices. Additionally, we are dedicated to community development, employee welfare, and strong corporate governance. These values are essential in building and maintaining lasting relationships with our stakeholders.

Through these ongoing efforts, we strive to drive positive impact and sustainable growth, ensuring long-term value creation for all our stakeholders.

Looking ahead, we are poised to leverage these advancements to drive further growth and value creation. Our strategic initiatives and ongoing efforts will continue to build a stronger, more resilient organization, capable of navigating the complexities of the global market while delivering long-term benefits to our stakeholders. Our committed team of professionals are aligned with the organization's vision and will continue to remain the cornerstone of our growth, in the years to come. We extend our heartfelt gratitude to our valued shareholders, esteemed customers, dedicated employees, and supportive partners for their unwavering trust and collaboration. Together, we will continue to broaden our horizons and achieve new levels of excellence.

Yours sincerely,

Kamal Kishore Sarda

Corporate Social Responsibilities

At Sarda Energy & Minerals Limited, our commitment to Corporate Social Responsibility (CSR) is integral to our ethos. We focus on empowering communities through initiatives in education, culture and arts, healthcare, infrastructure, and livelihood. Our education programs aim to provide quality learning opportunities and resources to underprivileged children, fostering the next generation of leaders. We actively promote culture and arts to preserve and celebrate our rich heritage. In healthcare, we are dedicated to improving access to medical services and facilities, ensuring healthier communities. Our infrastructure projects focus on building essential amenities that enhance the quality of life. Additionally, we support livelihood initiatives that create sustainable income opportunities, empowering individuals to achieve economic independence. Through these multifaceted efforts, we strive to make a meaningful and lasting impact on society.



Alignment with Sustainable Development Goals (SDGs)

Quality Education



Good Health and Well-being



Decent Work and Economic Growth



Industry, Innovation, and Infrastructure



Sustainable Cities and Communities



Reduced Inequalities



Education, Culture and Arts

Key highlights

- Adopted 50 single-teacher schools in the tribal areas of Chhattisgarh
- Initiated Robotic education training in village schools
- Physics & Chemistry lab material support to colleges
- Infrastructure support to schools, including school building, computers, other infrastructure facilities.
- Reward to meritorious students & scholarships to BPL Students
- Supported Anganwadi with play materials to develop Model Anganwadi
- Organized various fire safety and first aid awareness sessions at schools



Healthcare and Infrastructure

Key highlights

- Supported upgradation of bone marrow transplant unit at Balco Medical Centre, Raipur
- Organized free eye checkup camps & general Medicine camps
- Supported for cure against Cholera epidemic in Siltara village with CHC
- Deepening of various ponds across various villages
- Construction of roads and drainages in various villages



Livelihood

Key highlights

- Provided potable drinking water supply through water tanker in villages
- Organized various livelihood programmes for village women
- Conducted awareness sessions on Kitchen Badi development in villages
- Provided training to SHGs on making of soft toys and costume jewellery



Board of Directors

Our Board of Directors comprises a diverse group of seasoned professionals with extensive experience and deep industry knowledge. Their strategic vision and leadership have been instrumental in guiding Sarda Energy & Minerals Limited towards sustained growth and success. The board's commitment to excellence, transparency, and good governance practices ensures that we remain focused on our long-term goals while adapting to the dynamic business environment. Their collective expertise and dedication are vital in steering the Company through challenges and opportunities, driving value creation for all our stakeholders.



Kamal Kishore Sarda

Chairman & Managing Director
 Mechanical Engineer with nearly 48 years of experience in iron and steel, mining and strategic planning. He is responsible for steering SEML towards the path of growth.



Pankaj Sarda

Jt. Managing Director
 MS in Industrial Administration from Purdue University, USA, with industry experience of nearly 21 years.

Key Governance KPIs

Diversity of Tenure

Duration at Sarda	No of Directors
0-2 years	4
2-5 years	1
5 years and above	3*

* Includes wholetime directors

Diversity of Age

Length of Service	No of Directors	Average Age
31-50 years	2	59
51-60 years	-	
60 years and above	6	

Gender Diversity

Male:Female **7:1**



Padam Kumar Jain

Wholetime Director and CFO

A senior Chartered Accountant and Company Secretary by qualification, with rich experience of 38 years in the field of accounting, finance, taxation, costing, budgeting and corporate laws.



Amal Kumar Debnath

Independent Director

B. Tech and 1st Class Mine Manager with nearly 48 years of experience in mining and related matters.



Binoy Sandip Parikh

Independent Director

A qualified Chartered Accountant and Law Graduate with nearly 11 years of rich experience in Mergers & Acquisitions and related tax matters



Rajeev Sharma

Independent Director

Master's in Engineering from IIT Roorkee and Master's in Business Administration has nearly 40 years of experience across power sector value chain.



Tripti Sinha

Independent Director

B.E. (Electricals) - Gold Medalist from Rani Durgawati University and has nearly 43 years of experience in power sector.



Upendra Prasad Singh

Independent Director

M. Tech in Industrial & Management Engineering belongs to 1985 batch of Indian Administrative Service, born in Odisha Cadre. Mr. Singh has a rich experience of corporate sector having headed a number of Public Sector Enterprises.

Corporate Information

Board of Directors

Mr. K.K. Sarma	Chairman & Managing Director
Mr. Pankaj Sarma	Jt. Managing Director
Mr. P.K. Jain	Wholetime Director & Chief Financial Officer
Mr. Amal Kumar Debnath – w.e.f. 01.08.2023	} Independent Directors
Mr. Binoy Sandip Parikh – w.e.f. 01.08.2023	
Mr. Rajeev Sharma – w.e.f. 03.02.2024	
Ms. Tripti Sinha	
Mr. Upendra Prasad Singh – w.e.f. 20.03.2024	

Company Secretary

Mr. Manish Sethi

Auditors

Statutory Auditors

M/s. O.P. Singhania & Co.
Chartered Accountants
J.D. S. Chambers, 1st Floor
6-Central Avenue
Choubey Colony
Raipur (C.G.) - 492001

Cost Auditors

S.N. & Co.
Cost & Management Accountants
Office No. 701 & 712
7th Floor, Orange Hive
Mowa, Vidhansabha Road
Raipur (C.G.) - 492005

Secretarial Auditors

S. G. Kankani & Associates
Company Secretaries
Office No. 701 & 712
7th Floor, Orange Hive
Mowa, Vidhansabha Road
Raipur (C.G.) - 492005

Internal Auditors

A P A S & Co.
Chartered Accountants
Krishna Ranjan, B- 35/5
Shailendra Nagar
Raipur (C.G.) - 492001

Bankers

Union Bank of India
Axis Bank Limited
Bank of Baroda
HDFC Bank Limited
ICICI Bank Limited
RBL Bank Limited
State Bank of India
YES Bank Limited

Registered Office

73-A, Central Avenue
Nagpur (M.H.) - 440 018
Phone: +91-712-2722407

Works

Industrial Growth Centre
Siltara, Raipur (C.G.) - 493 111
Phone: +91-771-2216100

Mumbai Office

125, B-Wing, Mittal Court
Nariman Point
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Delhi Office

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New Delhi - 110048
Phone: +91-11-41012163

Visakhapatnam Office

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Seethammadhara NE
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Hongkong Office

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99-105, Des Voeux Road
Central, Hongkong

Singapore Office

Sarda Global Venture Pte Limited
17 Phillip Street,
#05-01, Grand Building
Singapore - 048695

Dubai Office

Sarda Global Trading DMCC
Unit No.1241, DMCC Business Centre,
Level No.1
Jewellery & Gemplex 3, Dubai, UAE

Registrar & Share Transfer Agents

Bigshare Services Private Limited
Office No S6-2, 6th Floor
Pinnacle Business Park
Next to Ahura Centre
Mahakali Caves Road, Andheri (East)
Mumbai (M.H.) - 400093
Tel: 022 62638200
Email: investor@bigshareonline.com

Directors' Report

Dear Shareholders,

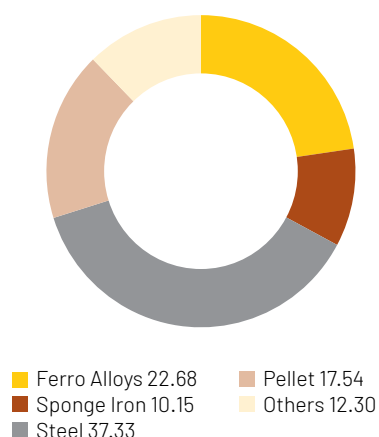
Your Directors take pleasure in presenting the 51st Annual Report on business and operations of the Company for the financial year ended 31st March 2024.

Results of Operations

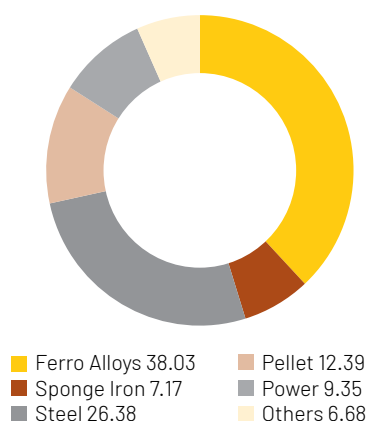
(₹ in crore)

	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	2,733	3,020	3,868	4,212
Exports	125	210	911	1,002
Other Income	185	87	184	49
EBIDTA	699	929	982	1,109
Depreciation	64	66	183	178
Finance cost	18	16	128	124
Profit before tax	617	847	671	807
Exceptional Item	-	-	3	-
Provision for tax	151	209	159	202
Net Profit	466	638	509	605

Standalone Turnover % - 2023-24



Consolidated Turnover % - 2023-24



Review of Performance

During the year, all the plants in Raipur, except sponge iron plant, achieved record production. Continuous upgradation of plants, proper planning and team efforts helped in achieving the record operational performance. The production of sponge iron was affected due to usage of lower grade of captive coal and Iron ore on commercial consideration. The Company achieved second highest ever sponge iron production.

During the year, major improvements in the plants included modification in power plant to increase the power generation. The Company also installed one more MRP (Metal Recovery Plant) at Ferroalloys plant to recover the metal from waste / slag. Better production/ maintenance plan and utilization of waste also contributed to improved performance. However, the financial performance was affected due to fall in price realization. Hydro power generation was adversely affected due to less rainfall in the catchment area.

Directors' Report

Successful bid for acquisition of SKS Power Generation (Chhattisgarh) Limited

As the members are aware, the Company was declared as successful resolution applicant by CoC of SKS Power Generation (Chhattisgarh) Limited (SKS), under IBC. NCLT had ordered CoC to reconsider all resolution plans, which was challenged by the Company in NCLAT. NCLAT has set aside the order of NCLT and has ordered for fresh hearing. NCLT has completed re-hearing of the application and closed for orders. The Company is expecting the decision shortly. Your directors believe that this acquisition will be a major milestone in growth journey of the Company.

There are no material changes and commitments affecting the financial position of the Company since close of the financial year. Further details on the performance of the Company and on the Company's operations and financials are provided in the Management Discussion and Analysis and other sections, as annexed to this report. There was no change in the nature of the business of the Company during the year.

Split of Equity Shares

During 2023-24, the equity shares of face value of ₹10/- (Ten) each were split into 10 equity shares of face value of ₹ 1/- (one) each with an intent to increase participation of investors and improve liquidity in the share market.

Dividend

The Board, subject to approval of shareholders, has recommended dividend @ ₹1/- per share (100%) for the F.Y. 2023-24, subject to the deduction of tax at applicable rate. The dividend shall result in cash outflow of ₹ 35.24 crore. Last year, the Company had paid dividend @ ₹ 1.50 per share (including Special dividend of ₹ 0.75 per share).

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy. The dividend will be paid out of the profits for the year.

During the current year 2023-24, the Company has further transferred unpaid dividend of ₹ 7.52 lakh in respect of F.Y. 2015-16 to the Investor Education and Protection Fund. The dividend for FY2022-23, on equity shares transferred to IEPF, has also been remitted to IEPF.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2023-24 in the statement of profit and loss. Accordingly, no amount has been transferred to reserves.

Subsidiaries / Joint Ventures

During the year under review the Company has incorporated one wholly owned subsidiary made Kalyani Coal Mining Private Limited to operate Kalyani Coal mine and one joint venture company Bartunga Coal Private Limited (our share 67%). Both the companies shall reopen and operate closed coal mines of SECL on revenue sharing basis. Additional investment was made in Chhattisgarh Hydro Power LLP to meet fund requirement of Rehar Hydropower Project under construction. There has been slight increase in investments in Shriram Electricity LLP.

A brief on the performance/business operations of subsidiaries/joint ventures consolidated with the Company is given hereunder.

Subsidiaries

- **Sarda Energy & Minerals Hongkong Limited, Hongkong (SEMHKL)**, is a wholly owned subsidiary, functioning as global investment and trading arm of the Company. During the year under review, the subsidiary reported a net profit of ₹ 28.78 crore as against profit of ₹ 1.10 crore in the previous year.
- **Sarda Global Venture Pte. Limited, Singapore (SGV)**, a wholly owned subsidiary, is having JV with PT Unggul Jaya Indonesia, an Indorama group company, for coal mining in Indonesia under the name P.T. Tigadaya Minergy (TDM). The Mine recommenced production from July 2023. During the year under review 557,807 MT (PY Nil) coal was extracted from the Mine.
The subsidiary reported a net profit of ₹ 13.10 crore as against net loss of ₹ 10.73 crore in the previous year.
- **Sarda Global Trading DMCC, Dubai (SGT)**, a wholly owned subsidiary, has been incorporated with the object of trading in metal ores, scrap and coal. During the year the subsidiary reported a net loss of ₹ 5.38 crore as against net loss of ₹ 1.43 crore in the previous year. The loss consists of mainly Mark to Market losses on investments.

Directors' Report

- **Sarda Metals & Alloys Limited (SMAL)**, a wholly owned subsidiary is operating 102 MVA Ferro Alloys Furnaces backed by 80 MW captive thermal power plant near Vizag port to cater mainly to export market. The Company is a Three Star Export House. The company enjoys long term rating of A/Stable and short term rating of A1 from CRISIL.

The installation of the 3rd furnace has helped in enhancing both production capacity and surplus power utilization. During the year, the company was able to achieve PLF of 89.15% against PLF of 64.60% in previous year and the ferro alloys production increased to 1,14,412 MTs (silico and ferro manganese) as compared to 79,185 MTs in the previous. Power Generation also increased to 626.45 MUs as compared to 452.71 MUs in the previous year.

During the FY 2023-24, the company exported 1,03,534 MTs (including trading export of 878 MTs) ferro alloys valued ₹ 785.42 crore against 76,242 MTs (including trading export of 3,476 MTs) in the previous year valued ₹ 772.27 crore. During the year, the company has reported a net profit of ₹ 10.66 Crore as against loss of ₹ 19.13 crore in the previous year. In FY 23 the plant was under shutdown due to major overhauling of the turbine after 9 years of operations.

During the year the company continued to face the headwinds of increased cost and subdued realizations. However, the same was overcome to a large extent by way of reducing the reliance on imports and optimizing the use of domestic raw materials including coal during the year.

Under the aegis of its ESG sustainability initiative, the company is setting up a Mineral Fiber production line at the existing plant premises. The work on the same is progressing as per schedule and the project is expected to be operational before the end of current financial year.

- **Sarda Energy Limited (SEL)**, a wholly owned subsidiary earned a net profit of ₹ 3.88 crore as against net profit of ₹ 5.43 crore in the previous year. The profit was mainly from share of profit from investment in Chhattisgarh Hydro Power LLP.
- **Kalyani Coal Mining Private Limited (KCMPL)**, a wholly owned subsidiary has been incorporated

in financial year 2023-24 as a Special Purpose Vehicle for carrying out the Re-opening, Salvaging, Rehabilitation, Development and Operation of Kalyani Underground Mines, in the state of Chhattisgarh. We were declared successful bidder for operation of the coal mine on revenue sharing basis. 4.50% of the revenue, net of taxes, shall be retained by South Eastern Coal Fields Limited (SECL).

The contract agreement between Kalyani Coal Mining Private Limited and South Eastern Coalfields Limited has been executed and the Detailed Project Report (Technical Part) has been submitted to SECL. Overlapping of 2 mine boundaries observed in DGPS survey is being resolved by SECL. Thereafter, again DGPS Survey would be done and revised DPR and Mining Plan will be submitted to SECL for approval and further action.

- **Chhattisgarh Hydro Power LLP (CHP LLP)**, a wholly owned subsidiary is successfully operating 24 MW Gullu Small Hydro Electric Project (SHP) since last seven years. It is implementing another 24.90 MW small hydro power project named 24.90 MW Rehar I SHP in the nearby location. This project is under construction and has largely completed major civil works. It is likely to be commissioned in the current financial year. The performance of the LLP will significantly improve post commercialisation of the second power plant. CHP LLP enjoys credit rating of [ICRA]A (Stable) from ICRA. Two more small hydro power projects are under different stage of clearances.

During the FY 2023-24, there was lesser than average rainfall in the country, at large. Gullu SHP has generated and supplied 72.45 MU units (PY 79.01 MU units) due to lower water availability. It has earned post tax profit of ₹ 20.46 crore (PY ₹ 24.74 crore).

- **Parvatiya Power Limited (PPL)** is operating 4.8 MW Loharkhet Hydro Power project in Bageshwar district of Uttarakhand. The Plant enjoys debt free operations.

The Company has supplied 13.28 MU power in the FY 2023-24 (Previous Year 22.12 MU) to the state grid. The operation of the Plant was impacted due to landslide and flood during monsoon season.

Directors' Report

However, it could swiftly manage to restore its operations. During the year 2023-24, the company has reported loss of ₹ 1.23 crore (PY profit ₹ 2.92 crore).

Your Company continues to hold 51% stake in PPL.

- **Madhya Bharat Power Corporation Limited (MBPCL)** is operating 113 MW Rongni Chu HEP in Sikkim. The company enjoys A+/Stable rating from India Ratings & Research and A-/Stable from CARE Ratings. The company has a strong presence in the state of Sikkim and has been instrumental in promoting socio-economic development of the project area.

The company has billed 367.25 MU (PY 393.22 MU) of power in the F.Y 2023-24 and reported revenue from sale of power of ₹ 260.08 crore (PY ₹ 251.76 crore). Based on provisional tariff, it has earned post tax profit of ₹ 12.02 crore (Previous Year ₹ 4.49 crore). The determination of final tariff is in process.

The Company holds 84.65% stake in the company (76.43% directly and 8.22% through its wholly owned subsidiary Sarda Energy Limited).

- **Sarda Hydro Power LLP (SHP LLP)** has licenses for implementation of two small hydro projects. Survey works for 24.90 MW Kotaiveera SHP is under progress.

The Company holds 60% stake in the LLP.

Hydro power and other renewable power will remain one of the focus areas of your company and we will continue to explore opportunities in the field of renewable energy.

- **Shri Ram Electricity LLP (SRE LLP)** was incorporated as a special purpose vehicle (SPV) for setting up a captive thermal power plant. In view of the changed power scenario and cancellation of coal linkage for the power project, the LLP has dropped the project. The Company continues to hold 51% stake in SRELLP. The firm will be dissolved once coal allocation related matters are closed.

Joint Ventures

- **Bartunga Coal Private Limited (BCPL)**, a Joint Venture with the Company holding 67% stake has been incorporated during the year under review as a Special Purpose Vehicle to act as Mine Operator

for carrying out the Re-opening, Salvaging, Rehabilitation, Development and Operation of Bartunga Hill Underground Coal Mine, in the state of Chhattisgarh. The consortium was declared successful bidder for operation of the coal mine on revenue sharing basis. 18 % of the revenue net of taxes shall be retained by South Eastern Coal Fields Limited (SECL).

The contract agreement between BCPL and SECL has been executed and other activities are progressing as planned.

- **Natural Resources Energy Private Limited (NREPL)** is a Joint Venture with the Company holding 51% stake. During the year under review, NREPL has been declared as the preferred bidder by Directorate of Geology and Mining, Government of Maharashtra for Surjagad 1 Iron Ore Block in the state of Maharashtra in the recent auction held for commercial iron ore blocks with 126.35% revenue share. The company is taking /shall take steps as per the instructions received / to be received from the Directorate of Geology and Mining, Government of Maharashtra. No commercial activities have been started.

- **Raipur Infrastructure Company Limited (RICL)** was operating a leased Railway Siding in Mandhar, Raipur. The lease has expired. The company will be wound-up after closure of pending proceedings and getting refunds from the tax authorities. The Company holds one third share in the Joint Venture. During the year 2023-24 the company incurred comprehensive loss of ₹ 3.05 crore as against income of ₹ 0.53 crore in the previous year on account of change in fair value of investments.

- **Madanpur South Coal Company Limited (MSCCL)**, an SPV, was allotted Madanpur South Coal Block in consortium. The Supreme Court had cancelled all coal block allotments. Consequent to cancellation of coal block, there is no business left out in the company and no other activity has been planned in the Company. During the year 2023-24, MSCCL reported comprehensive income of ₹ 0.7 crore as against ₹ 20.96 crore in the previous year.

At present the Company is having land of about 71.220 Hectares in village. MSCCL would be wound-up after disposal of the land.

The Company holds 20.63% in MSCCL.

Directors' Report

A report on the performance and financial position of each of the subsidiaries, associates and joint ventures as per the companies Act, 2013 and their contribution to the overall performance of the Company during the period under report is provided as part of the Consolidated Financial Statements and hence not repeated here for the sake of brevity.

Consolidated financial statements

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards.

In accordance with Section 136 of the Companies Act, 2013, the Audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of each of its subsidiaries, are available on our website www.seml.co.in. These documents are also available for inspection.

Directors

As per the terms of appointment, Mr. Rakesh Mehra (DIN: 00035812), Mr. Asit Kumar Basu (DIN: 01382260) and Mr. Jitender Balakrishnan (DIN: 00028320) completed their second term as an Independent Director on 31st March 2024 and accordingly, ceased to be member of the Board of Directors of the Company. The Board of Directors places on record their deep appreciation for the wisdom, knowledge, guidance and leadership provided by them as Member of the Board and its Committees during their tenure.

During the year the Board, on the recommendation of the Nomination and Remuneration Committee, had appointed Mr. Amal Kumar Debnath (DIN : 02467548), Mr. Binoy Sandip Parikh (DIN: 10060552), Mr. Rajeev Sharma (DIN: 00973413) and Mr. Upendra Prasad Singh (DIN: 00354985) as Independent Directors for smooth transition and familiarization of new directors before cessation of existing directors. In the last Annual General Meeting the members approved appointment Mr. Amal Kumar Debnath (DIN : 02467548), Mr. Binoy Parikh (DIN: 10060552) and re-appointment of Mr. Padam Kumar Jain (DIN: 00008379) as Director liable to retire by rotation. The appointment of Mr. Rajeev Sharma (DIN: 00973413) and Mr. Upendra Prasad Singh (DIN: 00354985) as Independent Directors has been approved during current financial year through postal Ballot.

The current tenure of Mr. Kamal Kishore Sarda, Chairman & Managing Director shall expire on 31st March 2025. In terms of the provisions of the Companies Act, 2013, his re-appointment can be considered upto one year before the expiry of current tenure. Accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board in its meeting held on 3rd August, 2024, has, subject to the approval of the members in the general meeting, re-appointed Mr. Kamal Kishore Sarda, as Chairman & Managing Director for a further period of 5 years w.e.f. 1st April 2025.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Pankaj Sarda, Jt. Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Necessary resolutions for the above re-appointment/appointments are being made a part of the Notice convening the ensuing general meeting. Brief profile of Mr. Kamal Kishore Sarda and Mr. Pankaj Sarda who are proposed to be re-appointed/appointed and other relevant details are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has received the necessary declaration from Independent Directors who are part of Board confirming that;

- a) he/she meets the criteria of Independence as laid out in Section 149(6) of the Companies Act, 2013 read with the Schedules, rules made there under and Regulation 25 of SEBI Listing Regulations, 2015; and
- b) registered themselves with the Independent Directors' Databank as per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

In the opinion of the Board, there has been no change in the circumstances which may affect the status of Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Board Evaluation

The Board has carried out an annual evaluation of effectiveness of its functioning, that of its committees

Directors' Report

and individual Directors in the manner specified by the Nomination & Remuneration Committee. The Board reviewed the performance of the individual Directors, committees of the Board and the Board as a whole.

A separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors; and performance of the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors.

This was followed by a Board meeting that discussed the performance of the Board, its committees and individual Directors including Independent Directors. During evaluation of the individual director, the concerned director was not present in the meeting. The performance of the Board and individual Directors was evaluated by the Board seeking input from all the Directors. The performance of the Committees was evaluated by the Board seeking input from the Committee Members. Key criteria for performance evaluation are given in **Annexure A** to directors' report.

Remuneration Policy for the Board and Senior Management

The Company follows a policy on remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company. The policy is approved by the Nomination & Remuneration Committee of the Company. Remuneration Policy for Directors, Key Managerial Personnel and other employees is marked as **Annexure B** to directors' report.

The Company, with the approval of Nomination & Remuneration Committee has adopted a policy on Board diversity and the recommendation of candidature for Board appointment will be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board. The criteria for determining Qualification, positive attributes and Independence of director is annexed as **Annexure C** to directors' report.

Familiarization programmes for Board Members

The Familiarization program aims to provide insight to the Independent Directors to understand the business

of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities. The Company provides information to familiarize the Independent Directors with the strategy, operations and functions of the Company. The Board members are also taken to the operation sites of the company and subsidiaries to understand and review their functions.

At various Board meetings, the Board members are provided with information/ presentations and are given the opportunity to interact with the Senior Management of the Company to help them to understand the Company's strategy/policies, business model, operations, products, markets, organization structure, finance, human resources, technology, quality, facilities and risk management, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and such other matters as may arise from time to time.

Quarterly presentations on operations made to the Board include information on business performance, operations, safety, market scenario, forex exposure, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, donations, regulatory scenario, etc.

The policy on familiarization programmes for Independent Directors is posted on the website of the Company www.seml.co.in and can be accessed under the head corporate governance/ policies under the Investors' section. The details of the familiarization program can be accessed on the Company's website at

<https://www.seml.co.in/Corporate%20Governance/Familiarization%20Programmes.pdf>

Directors' Responsibility Statement

The directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state

Directors' Report

of affairs of the Company as at 31st March 2024 and of the profit of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Key Managerial Personnel

During the year, there was no change in the Key Managerial Personnel.

Auditors and Auditors' Report

Statutory Auditors

At the Annual General Meeting for the financial year 2018-19 held on 21st September 2019, M/s. O.P. Singhania & Co., Chartered Accountants, Raipur were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting (AGM) to be held in the calendar year 2024. Having completed 2 tenures of 5 Years each they are not eligible for reappointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

The Board of Directors of the Company ("the Board"), at its meeting held on 3rd August, 2024, has considering the

experience and expertise and on the recommendation of the Audit Committee, have recommended to the Members of the Company for appointment of M/s. Singhi & Co., Chartered Accountants (Registration No.302049E), as Statutory Auditors of the Company in place of the Retiring Auditors, for a term of 5 (five) consecutive years from the conclusion of 51st Annual General Meeting till the conclusion of the 56th Annual General Meeting.

M/s. Singhi & Co., Chartered Accountants, have confirmed their eligibility and qualification required under the Act for holding the office as Auditors of the Company.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, the cost audit records maintained by the Company, in respect of various manufacturing activities are required to be audited.

The cost audit report for the financial year 2022-23 was filed with the Ministry of Corporate Affairs. M/s. S.N. & Co., Cost and Management Accountants, were appointed as the Company's Cost Auditor.

The Board of Directors has, on the recommendation of the Audit Committee, appointed M/s. S.N. & Co., Cost and Management Accountants, to audit the cost accounts of the Company on a remuneration not exceeding ₹ 2.00 lakh plus applicable taxes and out of pocket expenses for the year 2024-25.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors for 2024-25 is being placed before the members in the ensuing annual general meeting for approval.

Secretarial Auditor

The Board has appointed M/s. S.G. Kankani & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended 31st March 2024 is annexed herewith marked as **Annexure D** to this Report.

In view of pendency of delisting application at Calcutta Stock Exchange, the Company has stopped sending information to Calcutta Stock Exchange. Further, in terms of requirement of regulation 24A of SEBI

Directors' Report

Listing Regulations, the Secretarial Audit Report, for the financial year ended 31st March 2024, in respect of Sarda Metals & Alloys Limited and Madhya Bharat Power Corporation Limited, the material subsidiaries of the Company, is annexed to this report, marked as **Annexure E** and **Annexure F** respectively.

Corporate Social Responsibility (CSR)

With the objective of sustainable development and continual improvement, the Company adopts a voluntary and proactive approach to CSR to connect with the society by creating a sense of belonging. The Company continues its endeavour to improve the lives of people and provide opportunities for their holistic development through initiatives in the areas of Health, Education, Arts, Culture & Heritage, Rural development, etc. The Company strives for sustainable development programs in partnership with the community.

The Company's CSR initiatives usually involve setting the foundation of various programs at a small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced sustainable model to ensure maximum benefit to the community. The company's focus has been upliftment of underprivileged in the society by providing quality education, training and healthcare. The company also supports the NGOs working for such cause. During the year, the Company's spending on CSR has been more than the statutorily required.

Members are requested to refer the Corporate Governance Report forming part of this annual report for the composition of the CSR Committee. The CSR policy of the Company is available on the website of the Company - www.seml.co.in - under the head policies under the Investors' section. The annual report on the CSR activities is annexed as **Annexure G** to this report.

Corporate Governance

Pursuant to the Listing Regulations, Corporate Governance Report along with the Auditors' Certificate regarding compliance of conditions of Corporate Governance is made a part of the Annual Report.

Business Responsibility & Sustainability Report

The Company is committed to pursue its business objectives sustainably, ethically, transparently and with accountability to all its stakeholders. The Company

believes in ensuring environmental well-being with a long-term perspective as well as demonstrating responsible behaviour while adding value to the society and the community. In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report is made a part of this annual report.

Disclosures

Board/Committees/Vigil Mechanism

The details of the composition of Board of Directors, Corporate Social Responsibility Committee, Audit Committee, other committees of the Board, meetings of the board and committees and attendance of directors at the Board and committee meetings and implementation of Vigil Mechanism are given in the Corporate Governance Report forming part of this Annual Report.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made and guarantees given are given in note no. 3, 4(a), 7, 11(a), 39, 55 and 56 to the standalone financial statements. The Company, in its capacity of promoter, has pledged shares of Sarda Metals & Alloys Limited and Madhya Bharat Power Corporation Limited with the lenders of respective companies for loans granted to them by the lenders. The details of pledged shares are given as part of the financial statements. The loans and the guarantees given are utilized by the recipients for their business purposes. Members are requested to refer the notes for details, which are not repeated here for the sake of brevity.

Contracts and Arrangements with Related Parties

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business to further the business interests of the Company. Prior approval of Audit Committee is obtained for related party transactions.

The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act. Also, there were no material related party contracts entered into by the Company. Accordingly,

Directors' Report

the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for financial year 2023-24 and hence does not form part of this report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone / consolidated financial statements forming part of this Report.

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website - www.seml.co.in - under Policies under Investors' section.

Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed. During the current year the Company is again getting its internal financial controls reviewed by independent professional experts.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure H** to this Report.

Annual Return

The Annual Return of the Company as on 31st March 2024 is available at https://seml.co.in/Corporate%20Governance/Annual_Return_2023-24.pdf

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is annexed herewith as **Annexure I** to this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure J** to this report.

Risk Management

The Risk Management Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, accident, security, property, IT, cyber, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

A Risk Management Policy and a Hedging Policy as approved by the Board of Directors is in place. The Company monitors and manages the risks and uncertainties that can impact its ability to achieve its strategic objectives.

General

The directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review -

1. Details relating to deposits covered under Chapter V of the Act;
2. Issue of equity shares with differential rights as to dividend, voting or otherwise;
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

The directors further confirm that -

- a) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;
- b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- c) The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records are made and maintained;
- d) The Company has in place proper systems to ensure compliance with the provisions of the

Directors' Report

applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively;

- e) Under the Insolvency and Bankruptcy Code 2016, no applications were made during the financial year 2023-24 by or against the Company and there are no proceedings pending as at the end of the financial year.
- f) The Company has not made any one-time settlement with any of its lenders.
- g) 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 [14 of 2013].

Furthermore, the directors also state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Raipur
3rd August 2024

The disclosures / information / details disclosed / given elsewhere in the annual report have not been repeated again in the directors' report for the sake of brevity. Members are requested to refer relevant sections for the information. All policies/disclosures required to be disclosed on the website are available under the Investors' section on the website of the Company at www.seml.co.in.

Acknowledgement

The Board thanks the customers, vendors, investors, business associates and bankers for their continued support during the year. The Board places on record its appreciation of the contribution made by employees at all levels. The Company's resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

The Board thanks the Government of India and the State Governments where Company has its operations and other regulatory authorities and government agencies for their support and looks forward to their continued support in the future.

On behalf of the Board of Directors

(K.K. Sarda)

Chairman & Managing Director
DIN: 00008170

Annexure 'A' Directors' Report

Key Evaluation criteria

Evaluation of Board

- Composition of the Board
- Procedures for Nomination and appointment of Board members and their remuneration
- Leadership by the Chairman of the Board
- Receipt of proper and timely information by the Board members
- Meaningful/active participation at board meetings
- Consideration of quality and appropriateness of financial accounting and reporting including the transparency of disclosures
- Existence and effective working of necessary committees

Evaluation of Independent Directors

- Understanding of the Company and the external environment in which it operates and contribution to strategic direction
- Knowledge about Company's products/services/activities
- Attendance and participations in the meetings and timely inputs on the minutes

- Adherence to ethical standards and code of conduct of Company and disclosure of non-independence, as and when it exists and disclosure of interest
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion

Evaluation of Non-Independent Directors

- Attendance and participations in the meetings and timely inputs on the minutes
- Contribution towards growth of the Company
- Leadership initiative
- Adherence to ethical standards and code of conduct of Company
- Teamwork attributes and supervising & training of staff members
- Compliance with policies, reporting of frauds, violations, etc. and disclosure of interest
- Safeguarding of interest of whistle blowers under vigil mechanism and safeguard of confidential information

Annexure 'B' Directors' Report

Remuneration Policy

I. Preamble

As per the requirements of Companies Act, 2013 and the Listing Regulations, the Board of Directors of Sarda Energy & Minerals Limited ("Company") has constituted a Nomination and Remuneration Committee. The Committee's role is to be supported by a policy for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees.

The Policy is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and teamwork, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for stakeholders.

II. Objective

The objectives of the Policy shall be to:

1. retain, motivate and promote talent and to ensure long term sustainability for retention of talented managerial persons and create competitive advantage for the Company.
2. guide and assist the Board in laying down and administer ESOP Compensation policy in terms of SEBI Guidelines, as and when decided.

III. Guiding Principles

The following principles shall act as guiding factors while designing compensation for Directors, Key managerial personnel, senior management and other employees:

1. Aligning key executive and board remuneration with the long-term interests of the Company and its shareholders
2. Minimize complexity and ensure transparency
3. Link to long term strategy as well as annual business performance of the Company
4. Promote a culture of meritocracy and is linked to key performance and business drivers

5. Reflective of line expertise, market competitiveness so as to attract the best talent.
6. Consideration for living condition, industry practices, pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

IV. Remuneration

1. General

- a. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the provisions of the Act and further subject to prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the approval of the shareholders of the Company and as per the provisions of the Act.
- c. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be in terms of the approval of the Shareholders in the case of Whole-time Director.
- d. Where any insurance is taken by the Company for its Whole-time Director, Key Managerial Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Annexure 'B' Directors' Report

e. Leave

The employees, including directors where applicable, shall be eligible for casual leave, earned leave and maternity leave as per prevailing Rules of the Service.

f. Retirement benefits

The Company shall extend Provident Fund and Gratuity benefits as per provisions of the applicable law. In addition, the Company may extend benefit of Provident Fund to employees drawing higher salary and also contribution to superannuation and other pension fund/schemes for selective employees with mutual consent. The gratuity, superannuation and pensionary contribution shall be invested in approved funds.

g. Loans to employees

The Company may extend interest free/ concessional loans to the employees of the Company for meeting fund requirement for higher education of children, land purchase, building purchase/ construction/ furnishing & repair, marriage of self and family members, medical treatment of self and family members and other exigencies. For the purpose Rules shall be framed with authority for exceptions at appropriate levels.

2. Remuneration to Whole-time / Managing Director

a. Fixed pay

The Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee subject to approval of the shareholders and Central Government, wherever required. The breakup of the pay and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees, allowances, severance payments, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee.

b. Variable pay

The Committee may recommend suitable performance related variable payments linked to the performance of the Director concerned and of the Company.

c. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

d. Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

e. Stock Options

The Committee shall determine the stock options and other share-based payments to be made to Whole Time Directors, subject to prevailing guidelines of SEBI, if any.

3. Remuneration to Non-Executive / Independent Director

a. Remuneration / Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limits prescribed in the Act computed as per the applicable provisions of the Act.

b. Sitting Fees

The Non- Executive /Independent Director may receive remuneration by way of fees for

Annexure 'B' Directors' Report

attending meetings of Board or Committee thereof, as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee.

Provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.

c. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as remuneration, if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

4. Remuneration to Key Managerial Personnel and Senior Management

- a. The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Committee shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c. The Fixed pay shall include monthly remuneration, employer's contribution to superannuation fund, Provident Fund, contribution to pension fund, pension schemes, allowances, bonus, etc. as decided from time to time, for which Rules shall be framed.

- d. The Incentive pay, if any, shall be decided based on the performance of the Company and the performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

5. Other Employees

- a. The remuneration of other employees shall be fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they shall also be provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, wherever applicable. Policy of motivation/reward/severance payments are applicable to this category of personnel as in the case of those in the management cadre.
- b. The implementation of remuneration policy for other employees is to be ensured by CMD/JMD of the Company or any other personnel that the CMD/JMD may deem fit to delegate.

V. Remuneration Duties

The duties of the Committee in relation to remuneration matters shall include:

1. considering and determining the remuneration based on such other factors as the Committee shall deem appropriate bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate talent.
2. approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
3. professional indemnity and liability insurance for Directors and senior management.



Annexure 'B' Directors' Report

VI. Implementation

1. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
2. The Committee may delegate any of its powers to one or more of its members.

VII. Policy Review

The Committee may assess the adequacy of this

Policy and suggest any necessary or desirable amendments from time to time in the policy to the Board for approval to ensure it remains consistent with the Company's objectives, current laws and best practices.

VIII. Dissemination

This Remuneration Policy shall be disclosed in the Board's report and shall be placed on the website of the Company as required under the Companies Act, 2013 and the Listing Regulations.

Annexure 'C' Directors' Report

CRITERIA for determining Qualifications, Positive Attributes, and Independence of a Director

Qualifications

- i) diversity of thought, experience, knowledge, perspective, age and gender.
- ii) appropriate blend of functional and industry expertise.
- iii) Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/ domains.

Positive attributes

- i) compliance with duties as provided in the Companies Act, 2013.
- ii) possessing highest standards of ethical and moral qualities, strong interpersonal and communication skills and soundness of judgment as are considered

eligible for the position.

- iii) act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- iv) exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- v) IDs are also expected to abide by the Code for Independent Directors as outlined in Schedule IV to section 149(8) of the Companies Act, 2013.

Independence

A director will be considered as an "Independent Director" if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 and the Listing Regulations.

Annexure 'D' Directors' Report

Secretarial Audit Report for the financial year ended 31st March 2024

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2023-24

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

M/s Sarda Energy & Minerals Limited

CIN: L27100MH1973PLC016617

73-A, Central Avenue

Nagpur 440018 (MH)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sarda Energy & Minerals 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31st March 2024 in compliance of 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 Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) Securities and Exchange Board of India (Depositories and Participant) Regulation 2018;
- (vi) Other laws applicable specifically to the Company namely:
 - a) Mines Act, 1952 and the rules made thereunder;
 - b) Mines & Minerals (Development & Regulation) Act, 1957 and the rules made thereunder;
 - c) Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976 and the rules made thereunder;
 - d) Explosives Act, 1884 and the rules made thereunder

We have also examined the compliance of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that there were no actions/events in pursuance of:

Annexure 'D' Directors' Report

- a) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
requiring compliance thereof by the Company during the Financial Year.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, 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.

We further report that adequate notice is given to all the directors of the Board Meetings/ Committee meetings, agenda along with detailed notes thereon were sent as per the provisions of the Act to all the Directors, and a system existed for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views that need to be recorded.

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 members of the Company accorded their approval through Postal ballot on 13.07.2023 for sub-division of the Shares of the Company from ₹ 10/- per share to ₹ 1/- per share. Except the above, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

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

For, **S.G. KANKANI & ASSOCIATES**

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:F010807F000888411

Place: Raipur (C.G.)

Date: 3rd August, 2024

Annexure 'D' Directors' Report

Annexure-A

To,

The Members

M/s Sarda Energy & Minerals Limited

CIN: L27100MH1973PLC016617

73-A, Central Avenue

Nagpur 440018 (MH)

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a

reasonable basis for our opinion.

- 3) We have not verified the correctness and appropriateness of financial records, Books of Accounts of the Company. Further, we have also not verified other financial laws like direct and indirect tax laws as applicable to the Company, since the same has been subject to review by statutory auditor and other designated professionals.
- 4) Wherever required, we have obtained the representations about the compliance of laws, rules and regulation and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **S.G. KANKANI & ASSOCIATES**

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:F010807F000888411

Place: Raipur (C.G.)

Date: 3rd August, 2024

Annexure 'E' Directors' Report

Secretarial Audit Report of Sarda Metals & Alloys Limited for the financial year ended 31st March 2024

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2023-24

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
M/s Sarda Metals & Alloys Limited
(CIN: U51420MH2008PLC187689)
125, B-Wing, Mittal Court,
Nariman Point, Mumbai -400021 (MH)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sarda Metals & Alloys 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 books, papers, minute books, forms, and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder. We also report 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 31st March 2024 in compliance of the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) 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.

- (iv) Other laws applicable specifically to the Company as per the representation made by the Company.

We have also examined the compliance of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that since the Company is an unlisted public limited company, therefore, the desired information under Securities and Exchange Board of India Act, 1992 and the regulations and guidelines prescribed thereunder and the Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder are not applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice of the Board Meetings/ Committee meetings has been given to all the directors, agenda along with detailed notes thereon were sent as per the provisions of the Act to all the Directors and a system existed for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views that need to be recorded.

We further report that there are adequate systems and



Annexure 'E' Directors' Report

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 there

were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

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

For, **S.G. KANKANI & ASSOCIATES**

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:F010807F000848292

Place: Raipur (C.G.)

Date: 27th July, 2024

Annexure 'E' Directors' Report

'ANNEXURE-A'

To,
The Members
M/s Sarda Metals & Alloys Limited
(CIN: U51420MH2008PLC187689)
125, B-Wing, Mittal Court
Nariman Point, Mumbai – 400021 (MH)

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices

we followed, provides a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records, Books of Accounts of the Company. Further, we have also not verified other financial laws like direct and indirect tax laws as applicable to the Company, since the same has been subject to review by statutory audit and other designated professionals.
4. Wherever required, we have obtained the representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Raipur (C.G.)
Date: 27th July, 2024

For, S.G. KANKANI & ASSOCIATES
COMPANY SECRETARIES
FRN: P1998CG012600
PR: 1396/2021

(CS KAMLESH OJHA)
PARTNER
FCS No.: 10807
CP No. : 14660
UDIN:F010807F000848292

Annexure 'F' Directors' Report

Secretarial Audit Report of Madhya Bharat Power Corporation Limited for the financial year ended 31st March 2024

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2023-24

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
M/s Madhya Bharat Power Corporation Limited
CIN: U74899CT1994PLC016237
1st Floor, Vanijya Bhawan, Sai Nagar
Devendra Nagar Road
Raipur- 492001 (Chhattisgarh)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Madhya Bharat Power Corporation 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31st March 2024 in compliance of the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Other laws applicable specifically to the Company

as per the representation made by the Company.

We have also examined the compliance of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that since the Company is an unlisted public limited company, therefore, the desired information under Securities and Exchange Board of India Act, 1992 and the regulations and guidelines prescribed thereunder & the Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder are not applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. Further, 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.

We further report that adequate notice is given to all the directors of the Board Meetings/ Committee meetings, agenda along with detailed notes thereon were sent as per the provisions of the Act to all the Directors, and a system existed for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views that need to be recorded.

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.

Annexure 'F' Directors' Report

We further report that during the audit period, in pursuant to the special resolution passed by the members of the Company at their annual general meeting dated 21.08.2023 and approval accorded by the Regional Director, Northern Region, vide order dated 06.03.2024, the registered office of the Company has been shifted from "NCT of Delhi" to the state of "Chhattisgarh" by amending Clause 2 (Registered Office clause) of the Memorandum of Association of the

Company.

Except the above, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

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

Place: Raipur (C.G.)
Date: 31st July, 2024

For, **S.G. KANKANI & ASSOCIATES**
COMPANY SECRETARIES
FRN: P1998CG012600
PR: 1396/2021

(CS KAMLESH OJHA)
PARTNER
FCS No.: 10807
CP No. : 14660
UDIN:F010807F000866563

Annexure 'F' Directors' Report

Annexure-A'

To,

The Members

M/s Madhya Bharat Power Corporation Limited

CIN: U74899CT1994PLC016237

1st Floor, Vanijya Bhawan, Sai Nagar

Devendra Nagar Road

Raipur- 492001 (Chhattisgarh)

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a

reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records, Books of Accounts of the Company. Further, we have also not verified other financial laws like direct and indirect tax laws as applicable to the Company, since the same has been subject to review by statutory audit and other designated professionals.
4. Wherever required, we have obtained the representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, **S.G. KANKANI & ASSOCIATES**

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:F010807F000866563

Place: Raipur (C.G.)

Date: 31st July, 2024

Annexure 'G' Directors' Report

Annual Report on CSR Activities

1.	Brief outline on CSR Policy of the Company	<p>: CSR Policy of SEML ensures that all developmental activities/ initiatives undertaken are accessible to the most deserving segments such as children, women, elderly and those with disabilities. This would reflect particularly in the field of education, healthcare, sanitation, community welfare, skill development, infrastructure development, rural development, etc.</p> <p>The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/ underprivileged sections of the society. SEML adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create social and environmental impact.</p> <p>The main objective of CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development for the society. It aims at supplementing the program of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. The focus areas under SEML CSR policy are Education, healthcare, sports, art & culture, rural development programmes, social business projects, etc.</p>
2.	Composition of CSR Committee	

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rakesh Mehra*	Chairman/Independent Director	2	2
2.	Upendra Prasad Singh#	Chairman/Independent Director	2	0
3.	Mr. K.K. Sarda	Chairman & Managing Director	2	2
3.	Ms. Tripti Sinha	Independent Director	2	2

* Retired w.e.f. 1st April 2024

Appointed Chairman of the Committee w.e.f 1st April, 2024

3.	Web-link on the website of the Company for Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed.	<p>CSR Committee: http://seml.co.in/Corporate%20Governance/Board%20Committees.pdf</p> <p>CSR Policy: http://seml.co.in/Corporate%20Governance/SEMLCSRPolicy.pdf</p> <p>CSR Report: https://www.seml.co.in/Corporate%20Governance/SEML%20CSR%20March%202024.pdf</p>
4.	Provide the executive summary along with weblink(s) of Impact Assessment of CSR Projects carried out in pursuance of sub rule (3) of rule 8, if applicable	: Not Applicable
5. a.	Average net profit of the Company as per section 135(5) of the Companies Act, 2013	: ₹ 686.96 crore
b.	Two percent of average net profit of the Company as per section 135(5) of the companies Act, 2013	: ₹ 1,373.92 lakh
c.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	: NIL
d.	Amount required to be set off for the financial year, if any	: NIL
e.	Total CSR obligation for the financial year (5a+5b+ 5c)	: ₹ 1,373.92 lakh
6. a.	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	: ₹ 1,359.34 lakh

Annexure 'G' Directors' Report

b. Amount spent in administrative overheads	: ₹ 19.57 lakh
c. Amount spent on Impact Assessment, if applicable	: NIL
d. Total amount spent for the financial Year (6a+6b+6c)	: ₹ 1,378.91 lakh
e. CSR amount spent or unspent for the financial year	:

Total Amount Spent for the Financial Year. (in ₹ lakh)	Amount Unspent (₹ lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
1,378.91	NIL	N.A.	N.A.	NIL	N.A.

f. Excess amount for Set-off, if any	: NIL
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Sl. No.	Particular	Amount (in ₹ lakh)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Companies Act	1,373.92
(ii)	Total amount spent for the Financial Year	1,378.91
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.99
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]*	4.99

*The Company does not propose to avail any set-off, against the excess amount spent in FY 2023-24 for succeeding financials year(s).

7. Details of Unspent CSR amount for the preceding three financial years :

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount	Date of Transfer		
1.	2020-21	NIL	NIL	NIL	NIL	NA	NIL	NIL
2.	2021-22							
3.	2022-23							

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **No**

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Companies Act, 2013 - **Not applicable**

Sd/-
Kamal Kishore Sarda
(Chairman & Managing Director)

Sd/-
Upendra Prasad Singh
(Chairman CSR Committee)

Annexure 'H' Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to the Companies (Accounts) Rules, 2014]

A. Conservation of energy

<p>i) Steps taken or impact on conservation of energy.</p>	<p>Pellet Plant</p> <ul style="list-style-type: none"> We have placed order for replacement of old turbine with energy efficient turbine. 2 turbines have already been replaced. Energy saving through replacing the HPSV lights with LED in Project office & Pump house reservoir tower. Total energy saved 42048 units in FY-24. At LTPDB - 1,2,3 & 4, APFC panels and capacitor banks are installed to increase power factor. <hr/> <p>Sponge Iron Plant</p> <p>Energy saving through enhancement of Kiln-D SAF Air delivery system in SID. Total energy saved - 8404.4 Kwh.</p> <hr/> <p>Common Plant</p> <p>Energy saving LED light fixing in plant at various locations.</p>
<p>ii) The steps taken by the Company for utilizing alternate sources of energy.</p>	<p>The company is installing 50 MW solar power plant to meet captive power requirement.</p>
<p>iii) The capital investment on energy conservation equipment.</p>	<p>39.01 Lakh</p>

B. Technology absorption

<p>i) The efforts made towards technology absorption</p>	<p>Sponge Iron Plant</p> <ul style="list-style-type: none"> Infrared line scanner installation at Kiln- D for better productivity & quality product. Inhouse make APFC provided at 100TPD kiln & 500 RMHS for better power factor. <hr/> <p>Billet Plant</p> <ul style="list-style-type: none"> Installation of hydraulic poker machine at C & E-furnace to improve Scrap charging method as well as to clear slag jamming during melting. To decrease breakdowns and boost productivity, an MF capacitor for ET make is installed at Furnace - D. <hr/> <p>Wire Rod Mill</p> <ul style="list-style-type: none"> The roller table was modified from Continuous Casting Machine (CCM) to roughing mill to increase productivity and decrease breakdown. New energy monitoring system for more accurate analysis of power variations and energy usage. <hr/> <p>Power Plant</p> <ul style="list-style-type: none"> 14 nos. of new energy meter with modem and SIM installed for accurate analysis of power variations and energy usage. <hr/> <p>Ferro Alloys Plant</p> <ul style="list-style-type: none"> Conveyor belt (BC-3) upgrade to prevent/regulate raw material spillage and unplanned breakdowns. In Furnace - A, B, C, D & E gas cleaning plant (GCP) bag filter changed with new fiber glass filter bag for reduce differential pressure & dust emission level to protect environment.
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Annexure 'H' Directors' Report

ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	<p>Pellet Plant</p> <ul style="list-style-type: none"> Cone Crusher replaced with Indigenous make same capacity Cone Crusher, resulting in reduction in iron ore crushing cost. <p>Wire Rod Mill</p> <ul style="list-style-type: none"> New product successfully developed in wire rod mill - 6 mm TMT wire in coil form. Plant team has made inhouse modification in mill roll and cooling system to produce TMT wire in coil form. Market realization is good for this type of product. <p>Ferro-alloys Plant</p> <ul style="list-style-type: none"> Manual breaking of sinter is converted in to mechanized breaking through crusher and screening circuit to enhance its productivity & utilization. This helped to reduce the raw material cost & improved waste utilization. Modification in the new jigging plant by installing a tank in the circuit for separation of water and sand by forth flotation process, resulting into optimization of 6 no's of man power.
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year).	
	a) The details of technology imported	—
	b) The year of import	—
	c) Whether the technology has been fully absorbed	—
	d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	—
iv)	The expenditure incurred on Research and Development	Expenditure on R & D is not accounted for separately.

C. Foreign exchange earnings and outgo

Total foreign exchange earnings and outgo (₹ in crore)	
a) Foreign exchange earnings	: 134.71
b) Foreign exchange outgo	: 219.15

On behalf of the Board of Directors

(K.K. Sarda)

Chairman & Managing Director

DIN: 00008170

Raipur

3rd August 2024

Annexure 'I' Directors' Report

Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details about top ten employees in terms of remuneration drawn

Name	Designation	Remuneration received (₹ in lakh)	Nature of employment, whether contractual or otherwise	Qualification	Total Experience	Date of commencement of employment	Age	Last employment held	Names of other directors related to the employee
Mr. Kamal Kishor Sarda	Chairman & Managing Director	732.75	Contractual	B.E. (Mech.)	48 Years	16.12.1978	72 Years	---	Mr. Pankaj Sarda
Mr. Pankaj Sarda	Jt. Managing Director	601.82	Contractual	BE(Ind. Engg.), MS(IA)	21 Years	01.04.2003	45 Years	---	Mr. K. K. Sarda
Mr. Padam Kumar Jain	WTD & CFO	173.88	Permanent	CA, CS, B. Com	38 Years	12.04.1997	61 Years	Somaiya Organo Chem. Limited	---
Mr. Sanjeev Agrawal	Plant Head	61.57	Permanent	B.E. (Mech.), PGDIM	35 Years	27.08.2007	60 Years	Torrent Power	---
Mr. Nilay Joshi	Head - Corporate Finance	56.44	Permanent	MBA Finance	19 Years	11.03.2019	44 Years	RBL Bank Limited	---
Mr. Anant Sarda	President	54.00		B.Sc. (Engineering), MBA	7 Years	01.08.2017	28 Years	---	Mr. K. K. Sarda & Mr. Pankaj Sarda
Mr. Manoj Shah	Head - CMO	48.50	Permanent	BE (Mechanical)	30 Years	20.07.1994	53 Years	---	---
Mr. Manish Chandra Mishra	Head - Marketing	42.57	Permanent	PG Diploma Marketing Managment, BE(Mining)	34 years	27.04.2009	57 Years	Hindalco Industries Limited	---
Mr. Ajay Singhal	Head - Finance & Accounts	42.57	Permanent	CA, B.Com	28 Years	15.10.2004	55 Years	GCMMF Limited (Amul)	---
Mr. Shekhar Kanti Shome	President - Raigarh Operations	38.81	Permanent	B.Com	41 Years	01.12.2020	73 Years	---	

Notes:

1. Remuneration, as shown above, includes salary, allowance, commission, contribution to provident fund, and monetary value of perquisites but excludes contribution to gratuity fund on the basis of actuarial valuation as separate figures are not available.
2. Other terms and conditions are as per Company's rules/scheme.

Annexure 'I' Directors' Report

Information under Rules 5(2)(i) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Mr. Kamal Kishore Sarda	Mr. Pankaj Sarda	Mr. Padam Kumar Jain
Designation	Chairman & Managing Director	Jt. Managing Director	Wholetime Director & Chief Financial Officer
Remuneration received	₹ 732.75 lakh	₹ 601.82 lakh	₹ 173.88 lakh
Nature of employment, whether contractual or otherwise	Contractual	Contractual	Permanent
Qualification and experience	B.E. (Mech.) Nearly 48 years of Industrial experience	BE (Ind. Engg.), MS (IA) Nearly 21 years of Industrial experience	CA. C.S., B.Com Nearly 38 years of experience in Accounting, Finance, Taxation, Budgeting, Costing, Corporate Laws
Date of commencement of employment	16.12.1978	01.04.2003	12.04.1997
Age	72 years	45 years	61 years
Last employment held	---	---	Somaiya Organo Chem. Limited
Names of other directors related to the employee	Mr. Pankaj Sarda (Son)	Mr. Kamal Kishore Sarda (Father)	---

Notes:

1. Remuneration, as shown above, includes salary, allowance, commission, contribution to provident fund, and monetary value of perquisites but excludes contribution to gratuity fund on the basis of actuarial valuation as separate figures are not available.
2. Other terms and conditions are as per Company's rules/scheme

Annexure 'J' Directors' Report

Particulars of employees - Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

S. No.	Name of Director / KMP	Remuneration of Director/ KMP for F.Y. 2023-24 (₹ in lakh)	% increase in Remuneration in the F.Y. 2023-24	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. K.K. Sarda	732.75	(13.20)	161.02
2	Mr. Pankaj Sarda	601.82	1.25	132.25
3	Mr. P.K. Jain - CFO & WTD	173.88	4.23	38.21
4	Mr. A.K. Basu	16.90	23.36	3.71
5	Mr. J. Balakrishnan	13.60	17.24	2.99
6	Mr. Rakesh Mehra	13.70	16.10	3.01
7	Mr. Tripti Sinha	13.80	18.97	3.03
8	Mr. Amal Kumar Debnath	8.60	—	1.89
9	Mr. Binoy Sandip Parikh	8.60	—	1.89
10	Mr. Rajeev Sharma	4.80	—	1.05
11	Mr. Upendra Prasad Singh	2.20	—	0.48
12	Mr. Manish Sethi (CS)	26.90	16.96	N.A.

- ii) The median remuneration of employees of the Company during 2023-24 was ₹ 4.55 lakh.
- iii) In 2023-24, there was change of 0.44 lakh in the median remuneration of employees.
- iv) There were 1428 permanent employees on the rolls of Company as on 31st March 2024.
- v) Average % increase in the salaries of employees other than the managerial personnel in the last financial year, i.e. 2023-24 was 10.01% as against 16.76% in the previous year. There was a reduction of 5.72 % in managerial remuneration for the same period.
- vi) The change in remuneration of directors is in line with the performance of the Company.
- vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

On behalf of the Board of Directors

(K.K. Sarda)

Chairman & Managing Director

DIN: 00008170

Raipur
3rd August 2024



Management Discussion and Analysis

The objective of this report is to convey the Management's perspective on the external environment and steel industry as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the FY 2023-24. This should be read in conjunction with the Company's financial statements and notes thereto and other information included elsewhere in the Report. This report is an integral part of the Directors' Report.

Industry Structure and Development

Global Economy

Global economy is in a better shape than it was a year ago. The risk of a global recession has receded, largely because of the strength of the U.S. economy. However, mounting geopolitical tensions could create fresh near-term hazards for the world economy. Meanwhile, the medium-term outlook has darkened for many developing economies amid slowing growth in most major economies, sluggish global trade, and the tightest financial conditions in decades. Borrowing costs for developing economies—especially those with poor credit ratings—are expected to remain steep with global interest rates stuck at four-decade highs in inflation-adjusted terms.

As per the World Bank report, global trade growth in 2024 is expected to be only half the average in the decade before pandemic—the slowest half-decade of GDP growth in 30 years. As per the World Bank, the global economy, while “surprisingly resilient”, is set for a dark outlook, with growth expected to slow down for a third year in a row in 2024.

Indian Economy

Indian economy came out as a top performer in FY 2023-24 despite the domestic challenges of high inflation and subsequent monetary tightening, and setbacks in the export market due to the global slowdown. Real GDP growth was driven by robust domestic demand, moderate inflation, a stable interest rate environment, and strong investment activities. Successful presidency of G20, showcased India's capability to cater to global needs and providing a platform to address global concerns. Globally, high inflation and interest rates, coupled with supply surplus, have exerted significant pressure on demand. However, India's robust government spending on infrastructure development and positive consumer sentiments have not only provided a cushion but also boosted economic growth. Despite the persistent monetary tightening by the RBI, the domestic demand has remained resilient and supportive.

A conducive domestic policy environment will continue to improve the business environment, promote industrial activity, accelerate manufacturing, create economies of scale, and make India an integral part

Management Discussion and Analysis

of the global value chain. With the rollout of schemes like PLI and FAME and the government's push for infrastructure development, India is now one of the attractive destinations for foreign investments. Bilateral agreement to facilitate trade opportunities has expanded the markets for Indian MSMEs and businesses. The India-Middle East-Europe Economic Corridor announced at the G20 Summit has not only brought focus to India's importance in the global economy but has also provided an opportunity to diversify the logistic constraints.

Iron and Steel

After two years of volatility, global steel demand is likely to stabilize but growth is expected to remain weak over the next two years, even as the global economy demonstrates remarkable resilience to several headwinds like Russia's invasion of Ukraine, escalating geopolitical uncertainties, high inflation and consequent monetary tightening. During the reporting year, higher interest costs, coupled with tighter credit conditions, weighed heavily on manufacturing and construction activities in most major markets.

Steel demand in China, the largest producer and consumer in the world, remained weak as the country's

real estate sector remained bleak. Further, China's ongoing transition from an investment-stimulated to a consumption-driven economic growth model is expected to limit its contribution to global steel demand growth.

In this scenario, India has emerged as an exception in the global steel industry, with its young, growing and aspiring population offering its economy the labour and consumer strength to drive growth. Further, large untapped opportunities for growth and development across social, industrial, infrastructure, and defence, coupled with continued policy support and structural reforms, bode well for economic growth. According to market intelligence firm BigMint, India's steel demand is expected to grow at a compounded annual growth rate of 7% to touch 190 million tonnes by 2030. The demand will be largely fuelled by the construction and infrastructure sectors, which contribute 60-65% to the sales.

India is the second-largest producer of crude steel in the world. During FY 2023-24, domestic crude steel production rose 13.2% y-o-y to 144.04 MnT, while finished steel consumption increased 13.6% y-o-y to 136.25 MnT. The steel sector got a major boost with



Management Discussion and Analysis

the government including specialty steel under the Production Linked Incentive Scheme. Construction, a key driver of demand for steel is growing at a healthy rate. India remains a bright spot in an otherwise gloomy global steel industry. However, margins of domestic steelmakers came under pressure due to volatile commodity and energy costs, and the surge in low-cost imports putting more pressure on steel prices.

The global iron ore market in CY 2023 displayed remarkable resilience and adaptability in the face of challenges including price volatility. Even though the prices fluctuated throughout the year, positive developments like reduced raw material inventories, restart of closed steel mills and increased stock piling on concerns over future supply helped recovery in prices. The year ended on a positive note with global iron ore prices averaging US\$ 119/t in CY 2024, an increase of 2.5% Y-O-Y.

In 2023-24, India produced an all-time high of 282 million tonnes of iron ore, reflecting a significant 13% Y-O-Y increase. Additionally, India's iron ore exports rose to a three-year high of over 44 million tonnes, showcasing the country's growing importance in the global iron ore landscape.

India's low per capita steel consumption is providing robust growth headroom. During FY 2023-24, elasticity of steel demand to GDP growth was at 1.8, which assumes significance in the context of a contraction in global finished steel demand in CY 2023. The elasticity of steel demand with urbanization rate is even higher at 3.0. Together, these factors should continue to drive steel demand growth.

The Ministry of Steel has embarked on several initiatives aimed at decarbonizing the steel sector in line with India's commitment to achieving net-zero emissions, as outlined in COP-26. The steel sector in India has been embracing the adoption of best available technologies from around the world in its modernization and expansion projects, underscoring the industry's commitment to reduce its carbon footprint and transition to sustainable practices.

Iron Ore/Pellet

Prices of 62% iron ore grade ranged between US\$95/tonne to US\$136/tonne in FY 2023-24. Iron ore prices witnessed positive momentum in early 2023 on elevated steel production in China but started moderating and briefly fell below US\$100/tonne in May and remained range bound till June-July 2023. It bounced back thereafter on the hope of strong stimulus in China which would drive steel demand and production, thereby

boosting demand for iron ore. Iron ore prices are again inching lower in middle of 2024 on elevated production from miners in Australia and Brazil and weakening demand outlook.

Global Iron Ore Pellets Market has witnessed steady and robust growth in recent years and is anticipated to maintain this optimistic progression until 2032. One notable trend within the Iron Ore Pellets market is the growing preference for sustainable and eco-friendly products. Another significant trend in the Iron Ore Pellets market is the escalating integration of technology to enhance product quality and efficiency.

India is the 4th largest iron ore producer in the world. Production of iron ore was at 277 million metric tonne (MMT) in 2023-24 against 258 MMT in 2022-23, registering a growth of 7.4%. Healthy growth in production of iron ore reflects the robust demand conditions in the steel industry which point towards strong economic activity in user sectors such as energy, infrastructure, construction, automotive and machinery.

The Iron Ore Pellets market is anticipated to be significantly influenced by two major factors: The Russia-Ukraine war and the post-Covid-19 pandemic. The ongoing war has created political and economic instability, resulting in a decline in consumer purchasing power within the region. Additionally, the pandemic has severely disrupted supply chains, leading to challenges in production and distribution for manufacturers. As a result, the market is expected to witness sluggish growth due to the combined impact of these factors.

However, it is important to note that Iron Ore Pellets are considered essential components, and as the situation stabilizes, there is an expected rebound in demand for these products. In this scenario, major manufacturers with diverse customer bases, the ability to adapt to production fluctuations, and strong financial capabilities are likely to be the primary beneficiaries, as they can navigate through prolonged periods of uncertainty.

The Company has ensured uninterrupted supply of iron ore through its fully operational captive iron ore mine which operated smoothly during the year under review. During the year, the Company received 3.75 lakh tonnes of iron ore from its mine. The Company also procures iron ore from NMDC, OMC and other private miners to meet balance requirements of ore. The Company has pellet manufacturing capacity of 9 lakh tonnes per annum which operated smoothly during the year.

Further, your Company under a Joint Venture has won the Surjagad iron ore block in Maharashtra through

Management Discussion and Analysis

auction. Initial activities have been started. The Company is scouting for other iron ore mining assets and plans to bid for iron ore mines as and when they are put up for auction.

Coal/ Power

Hard Coking Coal prices, FOB Australia ranged from US\$220/tonne to US\$375/tonne during FY 2023-2024. Healthy demand, especially from India, and the absence of production cuts in China along with supply constraints ensured that coking coal prices remained well above US\$200/tonne during the year. Accidents and rising safety inspections in China also ensured elevated demand for imported coking coal.

India is endowed with 5th largest geological reserves of coal and is the 2nd largest consumer of coal. Through sustained programme of investment and greater thrust on application of modern technologies, it has been possible to raise the production of coal. Coal production in India during 2023-24 was 997.25 MT with a growth of 11.65%. The Indian coal sector has undergone radical changes during last 10 years.

The all-encompassing strategy, evident in initiatives such as commercial coal mining, policy reforms, gasification endeavours and a commitment to sustainable practices, signifies a radical shift towards efficiency, responsibility and resilience. India's coal sector's transformative journey extends beyond addressing energy demands; it lays the foundation for a sustainable and self-sufficient future. This multifaceted approach encompasses policy reforms, production growth, environmental stewardship, logistical enhancements and social responsibility.

In 2023, the global power sector experienced a significant shift towards cleaner, more resilient, and technologically advanced systems, driven by the urgent need to combat climate change and enhance energy security. Renewable energy capacity additions soared by almost 50%, marking the fastest growth rate in two decades. Amid the progress towards sustainable energy, the world faced extreme weather events which tested the resilience of power supply systems and highlighted the critical need for investing in energy security. Significant developments were also seen in energy storage solutions, essential for ensuring energy security and availability.

Indian economy continued to grow at a robust rate driven by private consumption and investment, spurred by government policies to improve infrastructure, logistics, and the overall business ecosystem resulting in increased energy requirement. During the year the

irregular monsoon rainfall led to a dip in hydroelectric power generation, increasing reliance on thermal generation. With 428 GW installed capacity, Indian currently ranks third in global electricity production. Thermal power remains the dominant source of power, contributing a substantial 79% to total generation, despite significant investments in renewable energy sources. To ensure energy security, the government mandated blending 6% imported coal for domestic coal-based plants.

The focus on the renewable energy sector propelled India's capacity to new heights over the years. According to data from the CEA, the share of country's installed renewable energy capacity in the total installed generation capacity surged from 22% (78 GW) in FY19 to 33% (144 GW) as of FY24. The share of renewable generation in total electricity generation also increased from 9% to 13% during the same time frame. There has been increasing focus on energy storage, particularly in Pumped Storage Solutions.

At SEML, we have captive thermal power plants (including through waste heat recovery) to cater to the power requirement. The Company has an operational coal mine to meet a major part of its coal requirements. Another coal mine of the Company at Shahpur, Madhya Pradesh is under development. Further, two coal mines won by the company in auction under revenue share model are under initial stages of development. The Company has been declared Successful Resolution Applicant for 600 MW thermal power plant and NCLT approval is awaited.

The Company, through its subsidiaries operates Hydro Power plants with capacity of 142 MW. Another 25 MW of capacity is expected to be operational in current year 2024-25. The Company is focusing on hydro power generation to contribute its part in controlling environment pollution by generating green energy. Further, the Company is also in the process of installing a 50 MW solar power plant which is expected to be operational by the end of current year 2024-25.

Ferro Alloys

Ferro Alloys Market Size was valued at USD 147.3 billion in 2023. The ferro alloys industry is projected to grow from USD 156.37 Billion in 2024 to USD 204.2 billion by 2032, exhibiting a compound annual growth rate (CAGR) of 5.60% during the forecast period 2024 - 2032. Owing to its application in the automotive, transportation, and vehicle industries, as well as technological developments, the ferroalloys market is expanding.

The ferro-alloys market in India is expected to grow

Management Discussion and Analysis

at a significant rate during the period 2020-2026. This growth is /shall be attributed to increasing demand from the steel industry, mainly due to rapid urbanization and industrialization. Furthermore, with increasing infrastructure projects such as bridges, airports, and roads across India supported by governmental initiatives will drive the market growth. Moreover, stringent regulations regarding air pollution control in India are also likely to propel product consumption over the forecast period.

The rising demand for ferroalloys products is likely to provide the ferroalloys sector with further growth opportunities. The advancement of lightweight steel grades and high strength has offered profitable opportunities for worldwide industry leaders. Furthermore, key businesses are working hard to increase demand for Ferroalloys products in a variety of regions.

Energy costs constitute around 20-25% of total production cost while manufacturing these alloys owing to its high power requirements thus making it economically unfavorable compared other substitutes available. This may hamper growth over coming years. Further, prices associated with key raw material used for production process tend to fluctuate significantly depending upon global economic scenario, hence having an impact on final price charged by companies operating within this space thereby affecting their profitability margins.

Opportunities and Threats

Opportunities

India has been building physical infrastructure over the past decade at a scale and pace never seen before. Government's focus on strengthening the infrastructure, implementation of the economic railway corridor programmes under the PM Gati Shakti scheme to strengthen the connectivity and logistic capabilities, will lead to strong demand for steel. India is building megacities and smart cities with robust digital infrastructure, which is leading to an increase in domestic steel demand. The renewables sector is also witnessing large investments driven by increasing power consumption and the need for green energy transition.

The country's rapid economic development, urbanisation, and growing population will sustain metals and steel production in the mid to long term. Additionally, the potential demand improvement in China after the Lunar New Year coupled with expected production cuts, could further curb Chinese exports to

India. The infrastructure segment has been driving a lot of momentum in the steel demand and is expected to continue in the coming years. However, government schemes like the Pradhan Mantri Awas Yojana are nearing conclusion, which could slow down the demand momentum in the steel sector.

Overall, the Indian steel sector's outlook remains positive, albeit with a projected dip in demand next year. The industry's focus will be on ramping up domestic production and tackling import concerns to maintain a robust long-term growth.

Threats

Despite its resilience and adaptability, the global steel industry faces a plethora of challenges and that includes overcapacity in some countries leading to pricing pressures, trade disputes, and market distortions. Unilateral decisions by certain countries or blocs will also impact the sector adversely in coming years. A case in point is European Union's decision to impose carbon tax on products that emit carbon dioxide or non-environment friendly gases. The UK is also considering a similar move.

A faster than expected disinflation accompanied by further monetary policy easing could provide a significant boost to steel using sectors, particularly housing construction. An acceleration in global decarbonization efforts or in efforts to strengthen public infrastructure against rising climate change risks are significant positive risks that can support global steel demand going forward. However, further escalation in geopolitical tensions, inflationary pressures proving more persistent than expected, and high and rising public debt levels triggering fiscal consolidation in major economies are significant risks that certainly have the potential to slowdown the ongoing economic recovery or even derail it.

Slowdown in China, particularly in property sector may create oversupply of steel there and any dumping in global market may pose a threat of low cost import and demand supply mismatch affecting prices.

The European Commission has proposed the world's first 'carbon border tax' under the Carbon Border Adjustment Mechanism (CBAM) on imports of carbon-intensive goods, including cement, iron and steel, aluminium, fertilizers, electricity, and hydrogen. CBAM levies a tax based on the quantum of emissions recorded during the production of such products that enters into the region. India's steelmaking accounts for 12% of the country's total carbon emissions. While the impact on exports in the long term is still being evaluated, the

Management Discussion and Analysis

country has embarked on a journey to transition to green steel. Aligned with India's commitment to achieving Net Zero by 2070, the steel ministry has laid down a short, medium and long-term transition roadmap that includes the increased adoption of renewable energy and promotion of resource efficiency.

During FY 2023-24, India turned a net importer of steel as cheaper imports made their way into the domestic market. Overall, steel exports increased by just 2.5% due to the weak global demand, while steel imports jumped 37% y-o-y. The rising level of imports poses a significant risk to domestic steel prices and margins.

Power constitutes the major portion of the production cost of ferro alloys and rising energy tariffs are a major challenge. A sharp spike has been witnessed in the current financial year. This needs to be reviewed by the government. There is a wide gap between the cost of power generation and distribution. That apart, increased electricity prices and huge electricity charges, imposed by various state governments also have a significant impact on production cost of ferro alloys. High power and logistics cost makes competition difficult for the Indian manufacturers to compete.

Outlook

The global economy is expected to witness a synchronous rebound in 2025 as major election uncertainties are out of the way and central banks in the West likely announce a couple of rate cuts later in 2024. As per the World Steel Association this year demand will see a 1.7% rebound to reach 1,793 MT. Steel demand is forecast to grow by 1.2% in 2025 to reach 1,815 MT. While it seems the world economy will experience a soft landing from monetary tightening cycle, global steel demand growth is expected to remain weak and market volatility to remain high on lagged impact of monetary tightening, high costs and high geopolitical uncertainties. Global trade flows are expected to remain volatile due to ongoing geopolitical tensions and protectionist policies. Regional conflicts and unrest such as the war between Russia and Ukraine and situation in Israel and elsewhere have been contributing to rising oil prices and further geo-economic fragmentation, affecting normal trade flows.

As per the World Steel Association, India has emerged as the strongest driver of steel demand growth since 2021, and Indian steel demand will continue to charge ahead with 8% growth in its steel demand over 2024 and 2025, driven by continued growth in all steel using sectors and especially by continued strong growth in infrastructure investments. India will likely see improved capital flows boosting private investment and a rebound in exports.

Inflation concerns remain, however, the same may ease in the latter half of the next fiscal year barring any surprises from rising oil or food prices.

The global iron ore market will likely be influenced by Chinese stimulus policies in the near term, considering China's position as the largest consumer of iron ore in the world. With China's ongoing economic recovery, marked by a strong infrastructure and export sector balanced against a slump in consumption and property sectors, any stimulus decisions could significantly impact iron ore prices.

The outlook for the Indian iron ore sector appears brighter. Production is expected to climb further fueled by the operationalization of new mines and capacity expansions at existing ones. India's iron ore beneficiation capacity is also expected to increase which aligns with the government's push for low-grade ore beneficiation, promoting the utilization of domestic resources and reducing dependence on imports. With continued growth in domestic production, rising beneficiation capacity, and a strong demand outlook, India is well-positioned to be a major force in the global iron ore market for years to come.

The power sector boom in India is a result of various factors – major being electricity demand for growing population and low per capita electricity consumption as compared to global average. These favourable trends in the power industry, have resulted in an increase in power generation and also increase in tariffs for power in the power exchanges, resulting in better realizations for the power sector. Looking ahead, the future of India's power sector is shining with exciting possibilities. The government and industry experts anticipate a huge rise in installed capacity and also in generation.

Risks and Concerns

Risk, which is the manifestation of business uncertainty affecting corporate performance and prospects, is an integral part of business. The Company follows a well-defined and exhaustive risk management process, which is integrated with its operations. This enables the Company to identify, categorize and prioritize operational, financial and strategic business risks. The Company has formed a Risk Management Committee which has the mandate of identifying the risks and suggesting the ways to mitigate them. The Company spends significant time, effort and human resources to manage and mitigate identified risks.

The Company has identified its risk parameters and planned out mitigation measures to sustain its operations. Some of these include:

Management Discussion and Analysis

Risk	Risk-mitigating factors
Economic/Industrial risk -Cyclical nature of business -Unforeseen demand upsurge	-Captive mineral resource -Captive inputs and diversification of revenue -Fully integrated process -Proximity to market -Diversification in hydro power providing consistent cash flows -Low leveraging -Customer loyalty
Environmental risk -Discharge of pollutants -Compliances	-Adequately equipped with pollution-control devices to observe norms -Regular upgradation and maintenance of the equipment to avoid discharge of pollutants in the environment -Focus on full waste utilization through waste to wealth programme -Installation of solar power plant
Financial risk -Availability of funds for capex and business operations	-Low debt gearing ratio and efficient financial management. Creating cushion for contingencies
Foreign Exchange risk -Unfavourable rupee/foreign currency movement	-Substantial amount of import, export and financial assets in foreign currency providing natural hedge -Regular review of exposure at highest level -Forward contracts and bookings -Avoiding exotic derivative structures
Human resources -Retaining talent at various levels is a challenge	-Ample opportunity of growth and development of individual -Safety and security, motivation, performance linked remuneration in line with market
Input risk -Procurement of raw materials at the right cost and in the right time.	- Captive mineral resource – iron and coal -Integrated business model making end product of one business to be positioned as the raw material of another -Captive power -Creation of a self-feeding ecosystem, costing and logistic issues
Regulatory risk -Compliance with the ever-changing applicable statutes and guidelines, rules and regulations	-Complies with all applicable statutory requirements and has systems in place to ensure compliance with the regulatory changes, if any
Safety risk / Health related disruption -Healthy and safe working of workmen	-Regular health check-ups - Regular safety audit by independent team and compliance review - Safety trainings, promoting near miss reporting and corrective actions - Preventive maintenance of machines and equipment to avoid any unforeseen accidents -Adequate arrangements of firefighting system and dispensaries to address emergency situations
System / Cyber Security risk System capability, System reliability and Data integrity risks	- Maintenance and upgrading of systems on a continuous basis - Data security through access control restrictions - Regular data backup - Use of antivirus softwares and firewall system - Threat risk audit and prevention

Management Discussion and Analysis

Internal Control System and Their Adequacy

The Company has in place an adequate system of internal control commensurate with its size and nature of business. The system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

The Company has a business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

The Company has availed the services of independent professional firm for Internal Audit, which checks the effectiveness of the internal controls with an objective to provide an independent, objective and reasonable assurance of the adequacy and effectiveness of the Company's risk management, control and governance processes. The scope and authority of the Internal Audit activity are approved by the Audit Committee. Internal Auditor reports directly to the Audit Committee of Board. Audit Committee periodically reviews the Internal Audit Reports and issues guidance and advice. The Audit Committee also seeks the views/opinions

of statutory auditors on the adequacy of the internal control systems in the Company. Minutes of the Audit Committee are put up to the Board of Directors.

The Company's Audit Committee reviews adherence to internal control systems, internal audit reports and legal compliances. This committee reviews all quarterly and yearly results of the Company and recommends the same to Board for its approval. The Committee also reviews the performance of the subsidiaries.

The Company has appointed external professional firm for thorough review of existing internal financial controls and updation thereof.

Product-wise Performance

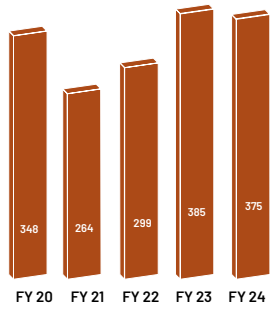
During the year under review, the operational performance of plants was better than the previous year. During the year, pellet production increased by 8%, Billet production increased by 18%, Wire rod production by 18%, HB wire production by 21%, Ferro Alloys production by 3%, power generation increased by 5%, iron ore production by 29% and coal production by 53%. During the year, the Company operated all its plants at optimum capacity. The consolidated product wise performance matrix for the year 2023-24 is summarized hereunder:

Product	Production (MTs)		Sales (MTs)		Captive consumption (MTs)	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Pellet	8,10,445	8,00,000	5,17,235	5,21,972	2,96,649	2,83,618
Sponge Iron	3,15,965	2,89,612	1,02,684	81,645	2,15,704	2,07,109
Steel Billet	2,29,065	2,27,673	31,153	33,349	1,98,026	1,94,713
Wire Rod	1,92,776	1,89,911	1,53,622	1,51,116	38,902	39,868
HB Wire	38,358	39,310	37,949	39,730	-	-
Ferro Alloys	2,00,496	1,63,967	1,95,253	1,57,432	4,080	3,334
Power (Mn Kwh)	1,741	1,577	533	565	1,132	971
Iron Ore	3,75,470	3,85,453	-	-	3,59,722	3,75,049
Coal (MT)	14,39,646	11,99,999	8,47,174	8,70,133	7,76,648	11,14,423

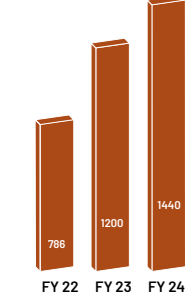
Management Discussion and Analysis

Consolidated Production performance

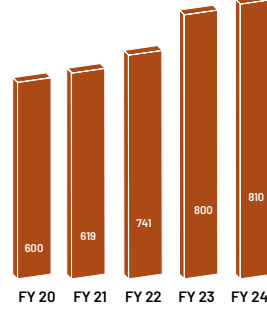
Iron Ore
in '000 MTs



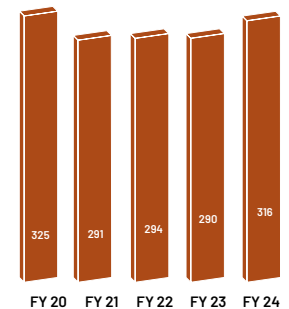
Coal
in '000 MTs



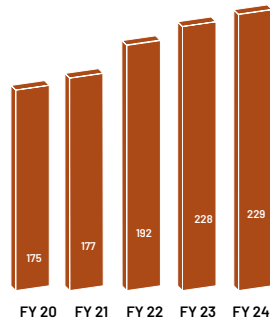
Iron Ore Pellet
in '000 MTs



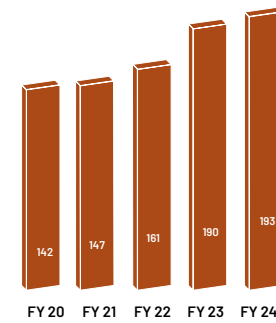
Sponge Iron
in '000 MTs



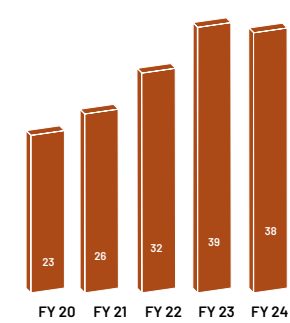
Steel Billet
in '000 MTs



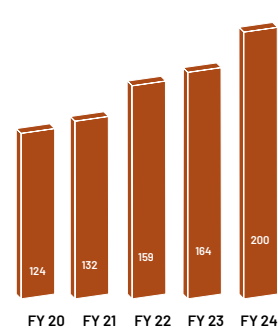
Wire Rod
in '000 MTs



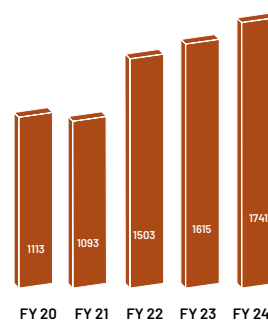
HB Wire
in '000 MTs



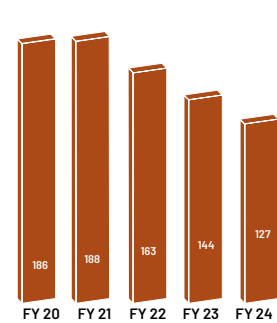
Ferro Alloys
in '000 MTs



Power Generation
units in MnkWh



ECO Bricks
in '000 MTs



Management Discussion and Analysis

Financial Performance vis a vis Operational Performance as per standalone financials

Ratio	2023-24	2022-23	% Change	Comments
Debtors' turnover (no. of days)	9	11	20.46	Improved
Inventory turnover (no. of days)	60	59	1.69	Stable
Interest coverage ratio	69.02	58.29	18.41	Improved
Current ratio	8.26	7.06	17.00	improved
Debt equity ratio	0.02	0.04	50.00	Improved
Operating profit margin (%)	18.79	27.86	(32.56)	Fall in prices of finished goods
Net profit margin (%)	17.04	21.14	(19.39)	
Return on net worth (%)	13.25	20.58	(35.62)	

Turnover

During 2023-24, the Company achieved a turnover of ₹ 2,733.45 crore on standalone basis as against ₹ 3,020.45 crore in the previous year, lower by 9.50%. At the consolidated levels, the turnover in 2023-24 was ₹ 3,868.13 crore as against ₹ 4,211.90 crore in the previous year, lower by 8.16%. Lower prices dragged the turnover down.

Breakup of revenue (% Product wise)

Product	2023-24	2022-23	2023-24	2022-23
	Standalone		Consolidated	
Ferro Alloys	22.68	23.44	38.03	36.43
Steel - billets, wire rods and HB wire	37.33	38.02	26.38	27.27
Sponge Iron	10.15	8.38	7.17	6.01
Pellet	17.54	15.93	12.39	11.42
Power	-	-	9.35	8.45
Coal	9.20	11.86	6.50	8.50
Others (includes Eco bricks and trading)	3.10	2.37	0.18	1.92
Total	100.00	100.00	100.00	100.00

Breakup of consolidated revenue (Entity wise)

(₹ in crore)

Company	2023-24	2022-23	Product
Sarda Energy & Minerals Limited	2,648.54	2,955.23	Steel, Ferro alloys & Thermal Power
Sarda Metals & Alloys Limited	907.57	947.09	Ferro Alloys & Thermal Power
Madhya Bharat Power Corporation Ltd.	260.83	251.76	Hydro Power
Chhattisgarh Hydro Power LLP	38.73	42.13	Hydro Power
Sarda Energy Limited	7.85	8.11	Share of profit from LLP
Parvatiya Power Limited	4.61	7.58	Hydro Power
Total	3,868.13	4,211.90	

Exports

Export markets for ferro alloys are catered mainly from Sarda Metals' plant located near the port. Consolidated ferro alloys exports of the Company stood at 1,15,231 MTs as against 98,617 MTs in previous year registering a growth on 16.85%.

Reasons for major changes in the standalone financial statements in the year under review, as compared to previous year, are as follows:

Statement of Profit & Loss

- other income increased by 112% mainly due to

Management Discussion and Analysis

increase in interest income and mark to market profit on investments.

- decrease in inventory by 37% is due to decrease in stock of Finished Goods/Semi-finished goods and raw material and fall in prices.
- finance cost increased by 14% due to processing charges/BG issuing charges and BG renewal charges.
- other expenses are higher by 9% mainly on account of increased production, higher electricity duty and additional legal consultancy charges.
- Profit is lower by 27% on account of lower realization.

Balance Sheet – Non-current assets

- increase in Capital Work-in-progress by 68% is on account of project activities related to Shahpur West coal mine, TG replacement in power plant and others.
- decrease in investment property by 22% is on account of transfer of coal mine colony building to PPE and depreciation thereon.
- increase in investment by 11% is on account of additional / fresh investment in subsidiaries and joint Ventures mainly in Kalyani coal mine and Rehar Hydro Power Project.
- the decrease in loans by 100% is on account of repayment of loan given to MBPCL.
- increase in other non-current assets by 24% was on account of increase in security deposit and capital advances.

Balance Sheet – Current assets

- decrease in inventory by 37% is mainly on account of decrease in inventories of finished goods/ semi-finished goods, coal and iron ore and fall in prices.
- increase in investments by 97% is due to investments in mutual fund/debenture and MTM gain of marketable shares.
- trade Receivables decreased by 54% due to increase in cash/sight LC transaction, decrease in export receivable and decrease in bills discounting.
- cash & Bank Balances have gone up by 159% due to surplus funds kept in FDR with banks.

- short term loans to related parties have gone up by 51% due to increase in loan given as part of treasury operation.
- other financial assets have decreased by 89% due to refund received from the nominated authority against Gare Palma IV/7 coal mines.
- other current assets have decreased by 45% due to decrease in advances to vendors.

Balance Sheet – Non-current liabilities

- borrowings decreased by 58% due to repayment of term loan and transfer to current maturities of the borrowings.

Balance Sheet – Current liabilities

- Borrowings increased by 77% due to short term borrowings from subsidiaries as part of centralized treasury operation.
- trade payables increased by 24% due to increase in payables to raw material suppliers/vendors.
- other financial liabilities decreased by 45% due to decrease in bill discounting.
- other current liabilities decreased by 17% due to decrease in advances from customers.
- current Tax Liability increased by 252% due to excess of current tax liability over advance tax paid.

Reasons for major changes in the consolidated financial statements in the year under review, as compared to previous year, are as follows:

Statement of Profit & Loss

- other income increased by 273% mainly due to increase in interest income and mark to market profit on investments
- decrease in inventory was due to decrease in stock of Finished/Semi-finished goods.
- Profit is lower by 17% on account of lower realization.

Balance Sheet – Non-current assets

- increase in Capital Work-in-progress by 90% was on account of project activities related to 25 MW hydro power project, Shahpur West coal mine, in power plant, and others.
- decrease in investment property by 18% is mainly on account of transfer of coal mine colony building to PPE.

Management Discussion and Analysis

- increase in investment by 45% was mainly on account of investment of surplus funds in mutual funds, bonds etc. additional / fresh investment in joint Ventures and other entities.
- increase in other non-current assets by 43% was on account of increase in capital advances for Rehar Hydro Project and advance Income Tax.

Balance Sheet – Current assets

- decrease in inventory by 27% was mainly on account of decrease in inventories of finished goods/ semi-finished goods, coal and iron ore.
- increase in investments by 58% is due to investments in mutual fund/debenture and MTM gain of marketable shares.
- trade Receivables decreased by 44% due to increase in cash/sight LC transaction, decrease in export receivable and decrease in bills discounting.
- cash & Bank Balances have gone up by 106% on account of parking of surplus funds in fixed deposit with Bank preserved for acquisition of SKS Power Generation (Chhattisgarh) Limited (SKS). The Company has been declared successful Resolution applicant by lenders and NCLT approval of our Resolution Plan is awaited.
- short term loans to related parties have gone up by 62% due to increase in loan given as part of surplus fund treasury operation.
- other financial assets have decreased by 43% due to reduction in VAT refund receivable.
- other current assets have decreased by 40% due to decrease in advances to vendors advance Royalty, prepaid expenses, balances with Government revenue authorities and receivables.

Balance Sheet – Non-current liabilities

- other financial liabilities increased by 44% due to increase in advance from Ferro customers and amount payable to Government of Sikkim against free power obligation.

Balance Sheet – Current liabilities

- borrowings reduced by 10% due to reduction in working capital utilization.
- trade payables increased by 28% due to increase in payables to raw material suppliers/vendors in Sarda Metals & Alloys Limited.

- other financial liabilities decreased 8% due to decrease in bills discounting and deposits from customers.
- other current liabilities increased by 28% on account of provision for truing up of revenue from sale of Power by Madhya Bharat Power Corporation Limited pending approval of final tariff.
- current Tax Liability increased by ₹ 9 crore due to excess of current tax liability over advance tax paid.

Material Developments in Human Resource/Industrial Relations

The Human Resources function plays a pivotal role in driving operational efficiency, employee satisfaction, and overall business success. The unique environment of the workplace and the business dynamics presents specific challenges and opportunities that HR professionals are equipped to manage. With an ambition to create future leaders by constantly driving employee development initiative across all levels, identified 80 top talent pool under the banner of “Talent Xibit” by developing their behavioural & functional skills through structured learning methods.

Health is key for happiness of employees. The Company has come up with another benchmark initiative by providing assessment of health & fitness of the employees and guidance for better health and wellness of employees and family members. Knowledge is key for building potential workforce across all levels. Learning is the only way to improve knowledge, with a constant effort by driving more than 600 specialized trainings, knowledge sharing sessions throughout the year with a 2.90 mandays per employee.

Safety at workplace is the primary moto of the organization. Behaviour based safety (BBS) is one of its unique training programme that build's safety culture at workplace. The Company believes happiness is key for building positive culture at workplace. Conducting sports, cultural & wellness activities throughout the year, Company has maintained a momentum of deep connect & responsibility for positive work culture.

During the year, 8 Quality Circle teams of the Company have participated in CCQC (Chapter Convention on Quality Concepts) organized in Bhilai and all the teams won “Gold Award”. In NCQC (National Convention on Quality Concepts) organized in Nagpur, 8 QC Teams have participated and 4 of them won “Par Excellence” award and 4 of them won “Excellence” award with a 100% winning tally.

Management Discussion and Analysis



During the year, the Company:

- continued to operate and maintain, mobile medical van near operational sites and surrounding villages benefitting 10,957 patients.
- supported Parivaar Education Trust for the maintaining hostels for poor children and necessary fooding, medical, and education facilities.
- organized various health camps, and health awareness drives and supported for upgradation of marrow transplant unit to BALCO Cancer hospital.
- undertaken watershed development initiatives in villages by creating and maintaining rainwater harvesting structures.
- has organized various training programmes for empowering women - costume jewellery making, sewing training, soft toys making, mushroom cultivation etc. to promote income generation, benefitting 195 women.
- has provided scholarships to meritorious students from nearby villages.
- has supplied potable drinking water to nearby villages.
- supported 50 Ekal Vidhyalays for education development of tribal children, donated computers & other digital display devices and create infrastructure facilities for education of students.
- provided infrastructure support to villages including roads, drainages, common facilities, etc.
- supported 11 physically challenged couple for marriage under "Nirdhan Kanya Vivah" initiative.
- supported various training programmes for students across adopted villages including robotic and AI.
- extended support for flood victims by providing free ration during distress at Sikkim.
- supported drug de-addiction programme led by Police Department of Raipur "Hello Zindagi".
- organized mass plantation for sustainability by planting 8100 plants in and around the plant.

As of 31st March 2024, the total number of employees on Company rolls stood at 1,428 as compared to 1,395 in the previous year.

Cautionary Statement

The above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, tax laws, and other incidental factors.

Corporate Governance Report

1. Company's philosophy on Corporate Governance

Good Corporate Governance is essentially an integral part of values, ethics and the best business practices followed by the Company. The Company stresses upon the following core values:

- **Transparency:** We believe in dissemination of information on time and in transparent manner.
- **Protecting Stakeholders' interest:** As a trustee for various stakeholders, we believe in safeguarding and balancing the interest of all stake holders.
- **Integrity and ethics:** We believe in our commitments and strive to set high ethical standards.
- **Corporate and social responsibility:** We believe in caring for environment, downtrodden and

surrounding communities.

The Company would constantly endeavor to improve on these parameters.

2. Board of Directors

2.1 Composition

During the year 2023-24, the Board of Directors comprised of eleven directors, including two whole time promoter directors, one wholetime professional director, and eight independent directors. The independent directors are eminent professionals having rich and sound experience in diverse fields related to the business of the Company.

The names and categories of the directors on the board and other relevant information, as on 31st March, 2024, are as under:

Names of the Directors	Category	No. of other Directorships held*	Member/ Chairman of other Board committees®	No. of shares held in the Company
Mr. Kamal Kishore Sarada [^]	Promoter Executive	5	-	54,84,550
Mr. Pankaj Sarada [^]	Promoter/ Wholetime	10	4	67,14,410
Mr. Padam Kumar Jain	Professional/Wholetime	-	1	97,880
Mr. Asit Kumar Basu [#]	Independent	3	4	38,870
Mr. Jitender Balakrishnan [#]	Independent	8	5	16,670
Mr. Rakesh Mehra [#]	Independent	2	1	1,03,400
Ms. Tripti Sinha	Independent	-	1	NIL
Mr. Amal Kumar Debnath [§]	Independent	-	1	NIL
Mr. Binoy Sandip Parikh [§]	Independent	1	2	NIL
Mr. Rajeev Sharma [§]	Independent	8	2	NIL
Mr. Upendra Prasad Singh [§]	Independent	-	-	NIL

* Including private limited companies, excluding directorships in foreign companies and the Company.

@ Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies (including the Company) have been considered.

[^] Except Mr. K.K. Sarada and Mr. Pankaj Sarada, no other director is related to any other director in any manner. Mr. K.K. Sarada is father of Mr. Pankaj Sarada.

[#] Retired w.e.f. 1st April 2024

[§] Mr. Amal Kumar Debnath and Mr. Binoy Sandip

Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024 and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

2.2 Board Meetings

The members of the Board are provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. Five meetings of the Board of Directors were held during the year ended 31st March 2024 as given hereunder:

Corporate Governance Report

i)	27 th May, 2023	ii)	29 th July, 2023	iii)	27 th October, 2023
iv)	3 rd February, 2024	v)	20 th March 2024		

The attendance record of the Directors at the Board Meetings during the year ended on 31st March 2024 and at the last Annual General Meeting is as under: -

Names of the Directors	No. of Board Meetings attended	Last AGM attended
Mr. Kamal Kishore Sarda	5	Yes
Mr. Pankaj Sarda	5	Yes
Mr. Padam Kumar Jain	5	Yes
Mr. Asit Kumar Basu [#]	5	Yes
Mr. Jitender Balakrishnan [#]	5	Yes
Mr. Rakesh Mehra [#]	4	Yes
Ms. Tripti Sinha	5	Yes
Mr. Amal Kumar Debnath [§]	3	Yes
Mr. Binoy Sandip Parikh [§]	3	Yes
Mr. Rajeev Sharma [§]	2	NA
Mr. Upendra Prasad Singh [§]	1	NA

Retired w.e.f. 1st April, 2024

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024.

2.3 Details of directorships as on 31st March 2024 in other listed companies with category of Company's directors is as under:

S. No.	Name	Name of the Company	Designation
1.	Mr. K.K. Sarda	Chhatisgarh Investments Limited	Chairman
2.	Mr. Pankaj Sarda	NIL	NA
3.	Mr. Padam Kumar Jain	NIL	NA
4.	Mr. Asit Kumar Basu [#]	Chhatisgarh Investments Limited	Independent Director
5.	Mr. Jitender Balakrishnan [#]	India Glycols Limited	Independent Director
		Polyplex Corporation Limited	Independent Director
6.	Mr. Rakesh Mehra [#]	NIL	NA
7.	Ms. Tripti Sinha	NIL	NA
8.	Mr. Amal Kumar Debnath [§]	NIL	NA
9.	Mr. Binoy Sandip Parikh [§]	Batliboi Limited	Independent Director
10.	Mr. Rajeev Sharma [§]	JSW Energy Limited	Independent Director
11.	Mr. Upendra Prasad Singh [§]	NIL	NA

Retired w.e.f. 1st April, 2023

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

2.4 List of Core Skills / Expertise / Competencies of directors

The Company is engaged in metal, mining and power sector. It is having integrated steel manufacturing facility, ferro alloys manufacturing facility, backed by captive thermal power plants. The Company also operates in the hydropower sector through SPVs.

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A chart setting out the list of core skills / expertise / competencies as identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those available with the Board are as follows: -

S. No.	Name of Director	Qualification & Experience	Expertise
1	Mr. Kamal Kishore Sarda	B.E. (Mech.) Nearly 48 years of experience	Iron & Steel, Mining, Strategic Planning
2	Mr. Pankaj Sarda	MS in Industrial Administration Nearly 21 years of experience	Strategic Planning, Production, Operations, General Management
3	Mr. Padam Kumar Jain	Chartered Accountant / Company Secretary Nearly 38 years of experience	Accounting, Finance, Taxation, Budgeting, Costing, Corporate Laws
4	Mr. Asit Kumar Basu [#]	BME Nearly 46 years of experience	Finance, Internal financial controls
5	Mr. Jitender Balakrishnan [#]	B.E. (Mech.), PGDM in Industrial Management Nearly 46 years of experience	Power, Steel, Oil & Gas, Corporate Governance, Risk Assessment
6	Mr. Rakesh Mehra [#]	FCWA Nearly 40 years of experience	Finance, Costing & Management Accounting
7	Ms. Tripti Sinha	B.E. (Electricals) Nearly 44 years of experience	Power
8	Mr. Amal Kumar Debnath [§]	B. Tech, Mining Nearly 41 years of experience	Mining and related matters
9	Mr. Binoy Sandip Parikh [§]	Chartered Accountant About 11 years of experience	Accounting, controls, Amalgamation & Mergers, Taxation
10	Mr. Rajeev Sharma [§]	B.Tech in Electrical Engineering Nearly 40 years of experience	Power sector
11	Mr. Upendra Prasad Singh [§]	B. Tech in Mechanical Engineering Nearly 38 years of experience	Administration

[#] Retired w.e.f. 1st April 2024

[§] Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

2.5 Independent Directors

The Company's Independent Directors met once during the year without presence of the management. Independent Directors discussed matters pertaining to the Company's affairs and shared their views/suggestions with Chairman & Managing Director and the Board of Directors.

During the year, familiarization programmes were conducted for the Independent Directors. The details of the same are available at -

<https://www.seml.co.in/Corporate%20Governance/Familiarization%20Programmes.pdf>
on the website of the Company.

The Board of Directors confirm that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

2.6 Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the Senior Executives and the Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and

Corporate Governance Report

support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website (www.seml.co.in). The Code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Chairman & Managing Director is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and Senior Executives in respect of the financial year 2023-24.

K.K. Sarda

Chairman & Managing Director"

2.7 Particulars of Directors seeking appointment/reappointment

Details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) in respect of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting to be held on 26th September 2024 are given as under:

1	Name	Mr. Kamal Kishore Sarda	Mr. Pankaj Sarda
2	i) Age	72 years	45 years
	ii) Qualification	B.E. (Mech.)	B.E. (Industrial Engineering) from Nagpur University, Nagpur and Masters from Purdue University, USA.
	iii) Date of appointment	16.12.1978	31.10.2007
3	Experience	Nearly 48 years of Industrial experience in Iron & Steel, Mining, Strategic Planning	More than 21 years Industrial Experience.
4	Terms & Conditions of re-appointment	Mr. Kamal Kishore Sarda is Chairman & Managing Director of the Company, not liable to retire by rotation. Other terms and conditions are as set out in the explanatory statement.	Mr. Pankaj Sarda is Wholetime Director (Jt. Managing Director), liable to retire by rotation. Other terms and conditions are as set out in the explanatory statement to the Notice convening 49 th Annual General meeting.
5	Remuneration last drawn (including sitting fees, if, any)(per annum)	₹ 7.33 crore (F.Y. 2023-24)	₹ 6.02 crore (F.Y. 2023-24)
6	Remuneration / Sitting Fees proposed to be paid per month	As set out in the explanatory statement.	As approved by the members in the 49 th Annual General Meeting.
7	Other Directorships	Chhatisgarh Investments Limited Madhya Bharat Power Corporation Limited Parvatiya Power Limited Sarda Energy Limited	ABS Engineers Private Limited Comienzo Agri Science Limited Kalyani Coal Mining Private Limited Natural Resources Energy Private Limited

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1	Name	Mr. Kamal Kishore Sarda	Mr. Pankaj Sarda
		Sarda Metals & Alloys Limited	Prachi Agriculture & Properties Private Limited Raipur Mega Food Park Private Limited Rishabh Mining and Transport Company Private Limited Sarda Agriculture and Properties Private Limited Sarda Dairy & Food Products Limited Sarda Energy Limited
8	Chairman/ Member of Committees	<u>Sarda Energy & Minerals Limited-</u> Member – Corporate Social Responsibility Committee Member – Nomination & Remuneration Committee	<u>Sarda Energy & Minerals Limited-</u> Member – Audit Committee Member – Risk Management Committee Member – Stakeholders’ Relationship Committee
		<u>Chhatisgarh Investments Limited-</u> Chairman –Risk Management Committee Member –Nomination & Remuneration Committee Member – Corporate Social Responsibility Committee	<u>Sarda Dairy & Food Products Limited-</u> Member – Audit Committee Member – Nomination & Remuneration Committee
		<u>Sarda Metals & Alloys Limited-</u> Member –Nomination & Remuneration Committee	<u>Comienzo Agri Science Limited-</u> Member – Audit Committee
		<u>Sarda Energy Limited-</u> Chairman – Corporate Social Responsibility Committee	<u>Sarda Energy Limited-</u> Member – Corporate Social Responsibility Committee
9	Shareholding in the Company	54,84,550 Equity shares	67,14,410 Equity shares
10	No. of Board Meetings attended/held during Financial Year 2023-24	5/5	5/5
11	Relationship with Directors	Mr. Pankaj Sarda, Jt. Managing Director of the Company is relative of Mr. Kamal Kishore Sarda, as per Section 2 (77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014.	Mr. Kamal Kishore Sarda, Chairman & Managing Director of the Company is relative of Mr. Pankaj Sarda, as per Section 2 (77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014.
12	Listed entities from which resigned in the past three years	Nil	Nil

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3. Committees of the Board

3.1 The details of the Board Committees and other related information are provided hereunder:

Audit Committee		Nomination & Remuneration Committee	
Mr. Binoy Sandip Parikh (Chairman w.e.f. 1 st April 2024)	Mr. A.K. Basu (Chairman) [#]	Mr. Rakesh Mehra [#]	Mr. Pankaj Sarda
Mr. Rakesh Mehra [#]	Mr. Pankaj Sarda	Mr. Rajeev Sharma (Chairman w.e.f. 1 st April 2024)	Mr. J. Balakrishnan (Chairman) [#]
Mr. Rajeev Sharma (w.e.f 1 st April 2024)	Ms. Tripti Sinha	Mr. A.K. Basu [#]	Mr. Amal Kumar Debnath (w.e.f 1 st April 2024)
		Mr. K.K. Sarda	Mr. Rakesh Mehra [#]
		Mr. Upendra Prasad Singh (w.e.f 1 st April 2024)	
Stakeholders' Relationship Committee		Corporate Social Responsibility Committee	
Mr. Amal Kumar Debnath (Chairman w.e.f 1 st April 2024)	Mr. J. Balakrishnan (Chairman) [#]	Mr. Upendra Prasad Singh (Chairman w.e.f 1 st April 2024)	Mr. Rakesh Mehra (Chairman) [#]
Mr. Binoy Sandip Parikh (w.e.f. 1 st April 2024)	Mr. Padam Kumar Jain	Mr. K.K. Sarda	Ms. Tripti Sinha
Mr. Padam Kumar Jain	Mr. Pankaj Sarda		
Mr. Pankaj Sarda			
Risk Management Committee			
Ms. Tripti Sinha (Chairperson)			
Mr. Amal Kumar Debnath (w.e.f 1 st April 2024)			
Mr. Padam Kumar Jain, WTD & CFO			
Mr. Pankaj Sarda			
Mr. Sanjeev Agrawal			

Retired w.e.f. 1st April 2024

Mr. Manish Sethi, Company Secretary, acts as the Secretary to all the Board Committees.

3.2 Meetings of the Board Committees and attendance of Directors at the meetings (2023-24)

Board Committees	Audit Committee	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Risk Management Committee	Stakeholders' Relationship Committee
Meetings held	4	2	5	2	1
Attendance:					
Mr. K.K. Sarda	NA	2	3	NA	NA
Mr. Pankaj Sarda	3	NA	NA	2	-
Mr. P.K. Jain	NA	NA	NA	1	1
Mr. A.K. Basu [#]	4	NA	5	NA	NA
Mr. J. Balakrishnan [#]	NA	NA	5	NA	1
Mr. Rakesh Mehra [#]	4	1	4	NA	NA
Ms. Tripti Sinha	4	2	NA	2	NA
Mr. Amal Kumar Debnath ^S	NA	NA	NA	NA	NA
Mr. Binoy Sandip Parikh ^S	NA	NA	NA	NA	NA
Mr. Rajeev Sharma ^S	NA	NA	NA	NA	NA
Mr. Upendra Prasad Singh ^S	NA	NA	NA	NA	NA

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Retired w.e.f. 1st April 2024

S Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024.

3.3 Procedure at Committee Meetings

The procedure relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist it in discharge of its duties/function(s). Minutes of the Committee meetings are circulated to the directors and placed at the Board meetings for noting.

3.4 Terms of Reference of Board Committees

Audit Committee

The terms of reference of the committee are as per the provisions of Section 177 of the Companies Act, 2013, read with the Listing Regulations.

As per the requirement/instructions of the Committee, representatives from various business units of the Company, Internal Auditors, Cost Auditors, Statutory Auditors, President/Plant Head and such other persons as the Committee may feel necessary, also attend the Audit Committee meeting(s) to respond to queries raised at the Committee meeting(s).

Nomination & Remuneration Committee

The Nomination & Remuneration Committee is responsible for:

- a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;

- c) specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- d) devising a policy on diversity of board of directors;
- e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- f) recommend to the board, all remuneration, in whatever form, payable to senior management;
- g) carrying out any other function as is mentioned in the terms of reference of the committee.

Performance Evaluation: The Company has laid down criteria for performance evaluation of the Board, Committees, Independent Directors and other Directors. The said criteria are given as **Annexure A** to the Director's Report.

Remuneration policy: The Company's Remuneration Policy is directed towards rewarding performance based on review of achievements at periodical intervals. The remuneration policy is in consonance with the existing industry practice. The Company's remuneration policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure B** to the Directors' Report.

The Executive Directors have been paid remuneration as per terms of their appointment. The Non-Executive Directors have been paid sitting fees for meetings of the Board and/or Committees attended by them. Also, pursuant to the approval of members, Non-Executive Independent Directors have been paid Commission on the net profits of the Company for the year 2023-24.

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Details of remuneration to Chairman & Managing Director and Wholetime Directors are as under:

(₹ in lakh)

Name of the Director	Salary & Allowances	Perquisites	Retiral Benefits	Commission	Total*	Stock Options granted#
Mr. K.K. Sarda	200.64	24.61	7.50	500.00	732.75	NIL
Mr. Pankaj Sarda	87.62	6.70	7.50	500.00	601.82	NIL
Mr. Padam Kumar Jain [^]	78.26	3.12	7.50	85.00	173.88	NIL

* The above amount does not include contribution to gratuity fund, as separate figures are not available for the Chairman & Managing Director and Wholetime Directors.

No stock options were granted during the year

[^]Also holds the office of CFO.

Contract period: Mr. K.K. Sarda, Chairman & Managing Director – Five years from 1st April 2020.

Mr. Pankaj Sarda, Jt. Managing Director – Five years from 1st November 2022. To retire by rotation.

Mr. Padam Kumar Jain, Wholetime Director & CFO Five years from 1st June 2021. To retire by rotation.

Severance Fees: Compensation as per the provisions of the Companies Act, 2013

Details of remuneration to Non-Executive Directors are as under:

(₹ in lakh)

Name of the Director	Sitting fees	Commission	Total
Mr. A.K. Basu [#]	1.90	15.00	16.90
Mr. J. Balakrishnan [#]	1.60	12.00	13.60
Mr. Rakesh Mehra [#]	1.70	12.00	13.70
Ms. Tripti Sinha	1.80	12.00	13.80
Mr. Amal Kumar Debnath [§]	0.60	8.00	8.60
Mr. Binoy Parikh [§]	0.60	8.00	8.60
Mr. Rajeev Sharma [§]	0.40	4.00	4.80
Mr. Upendra Prasad Singh [§]	0.20	2.00	2.20

Retired w.e.f. 1st April, 2024

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees and commission received by them from the Company and its subsidiaries during the year.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is responsible for:

- Resolution of the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

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- b. Measures taken for effective exercise of voting rights by shareholders.
- c. Service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Company Secretary – Mr. Manish Sethi is the Compliance Officer.

The number of : During the year under review, complaints re- 5 complaints were received during the which were resolved. year Requests for issue of duplicate shares, share transmissions, revalidation of warrants and change in bank account details, were received which were attended promptly.

The number of : NIL
complaints not solved to the satisfaction of shareholders

Number of pending : No complaint was pending for redressal as on 31st March 2024.

Corporate Social Responsibility Committee

The role of the Committee is to:

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
- c) monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time.

Risk Management Committee

The role of the Committee is, subject to the approval of the Board of Directors, to frame suitable risk management policy and ensure its implementation.

Details of Senior Management and changes therein during the year

S. No.	Name	Designation	Change/No change
1	Mr. Padam Kumar Jain*	Chief Financial Officer	No change
2	Mr. Anant Sarda	President	No change
3	Mr. Manish Sethi	Company Secretary	No change
4	Mr. Sanjeev Agarwal	Plant Head	No change
5	Mr. S.K. Shome	Mining Head	No change

*Mr. Padam Kumar Jain is also Whole-time Director.

4. General Body Meetings

The venue, date and time of the last three Annual General Meetings and the details of Special Resolutions passed thereat are as under:

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Date	Time	Location	Special Resolution Passed
28 th September, 2023	11.30 a.m.	The meeting was through Video Conferencing/ Other Audio-Visual Means (VC/OAVM). The place of AGM was deemed to be the Registered Office.	Special Resolutions- <ul style="list-style-type: none"> - for appointment of Mr. Amal Kumar Debnath as Independent Director for a first term of five years w.e.f 1st August 2023; - for appointment of Mr. Binoy Sandip Parikh as Independent Director for a first term of five years w.e.f 1st August 2023; - to issue NCDs upto an aggregate amount not exceeding ₹ 1000 crore; - equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1,000 crore; were passed.
29 th September, 2022	11.30 a.m.	The meeting was through Video Conferencing/ Other Audio-Visual Means (VC/OAVM). The place of AGM was deemed to be the Registered Office.	Special Resolution to issue NCDs upto an aggregate amount not exceeding ₹ 500 crore was passed.
23 rd September, 2021	11.30 a.m.	The meeting was through Video Conferencing/ Other Audio-Visual Means (VC/OAVM). The place of AGM was deemed to be the Registered Office.	Special Resolutions to issue <ul style="list-style-type: none"> - NCDs upto an aggregate amount not exceeding ₹ 500 crore; - equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1,000 crore, were passed.

Special Resolution(s) passed through Postal Ballot

During 2023-24, Special Resolution for Alteration in Authorized share capital was passed through Postal Ballot. The voting period for remote e-voting commenced on Wednesday, June 14, 2023 at 9.00 a.m. (IST) and ended on Thursday, July 13, 2023 at 5.00 p.m. Mr. Kamlesh Ojha, Partner, S.G. Kankani & Associates,

Practising Company Secretaries was appointed as the Scrutinizer for the purpose of scrutinizing the entire voting process. The report on the result of the postal ballot through remote e-voting for approving the aforementioned resolution was provided by the Scrutiniser on Saturday, July 15, 2023. Details of voting pattern is as under:

Item No.	Brief Description	Number of votes cast in favour		Number of votes cast against		Number of votes abstained		Total votes cast
		No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes	% to total votes cast	
i)	Alteration in Authorized share capital	20083280	99.997%	688	0.003%	1	NA	20083968

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During current year 2024-25, the Company sought the approval of the shareholders by way of postal ballot on two Special Resolutions. The voting period for remote e-voting commenced on Thursday, 28th March, 2024 at 9.00 a.m. (IST) and ended on Friday, 26th April, 2024

at 5.00 p.m. (IST). The report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Saturday, 27th April, 2024. The details are as under:

Item No.	Brief Description	Number of votes cast in favour		Number of votes cast against		Number of votes abstained		Total votes cast
		No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes
i)	Appointment of Mr. Rajeev Sharma as Independent Director for a first term of five years w.e.f 3 rd February 2024	235568521	99.9974%	6128	0.0026%	-	-	235574649
ii)	Appointment of Mr. Upendra Prasad Singh as Independent Director for a first term of five years w.e.f 20 th March 2024	234678170	99.9974%	6031	0.0026%	890448	NA	234684201

In respect of the above Postal Ballot conducted by the Company during 2024-25, the Board of Directors had appointed Mr. Kamlesh Ojha (Membership No. FCS 10807, CP No. 14660) of S.G. Kankani & Associates, Practising Company Secretaries, as the Scrutiniser to scrutinise the postal ballot process, in a fair and transparent manner.

The aforesaid Postal Ballot was conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and Circular issued by the Ministry of Corporate Affairs.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this report.

5. Means of communication

Quarterly, half-yearly and annual results are submitted to the stock exchange in accordance with the Listing Regulations and published in Indian Express (English) and Loksatta (vernacular) newspapers. The financial results and other relevant information are placed simultaneously on the Company's website - www.seml.co.in. No news releases were made to the institutional investors or to the analysts during the year. During the year, presentations have been made to the institutional investors/analysts, which have been submitted to the Stock Exchanges and have also been uploaded on the Company's website.

6. General shareholder information

Annual General Meeting	: Date:	26 th September 2024
	: Time:	11.30 a.m.
	: Venue:	The Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, latest being General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting through video-conferencing/other audio-visual

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means ('VC/OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. Registered Office shall be deemed to be the venue of AGM.

Dividend payment	:	On or after 26 th September 2024 (subject to approval of the shareholders at the AGM)
Financial calendar for 2024-25(tentative)	:	
Financial results for the quarters ended:		
30 th June 2024	:	1 st week of August 2024
30 th September 2024	:	1 st week of November 2024
31 st December 2024	:	1 st week of February 2024
31 st March 2025	:	4 th week of May, 2025 (audited)
Annual General Meeting (for F.Y. 2024-25)	:	September, 2025

Listing on stock exchanges	:	
Equity shares	:	The equity shares of the Company are listed on the following exchanges:
		i) BSE Limited, Mumbai (504614)
		ii) The National Stock Exchange of India Limited, Mumbai (SARDAEN)
		ISIN no. NSDL & CDSL - INE385C01021

No Security of the Company has been suspended from trading on any of the stock exchanges where they are listed. The Company has paid annual listing fees to the BSE Limited and The National Stock Exchange of India Limited, Mumbai, for the equity shares for the financial year 2024-25.

Registrar and share transfer agents (for physical and electronic)	:	Bigshare Services Private Limited Office No S6-2, 6th Floor Pinnacle Business Park, Next to Ahura Centre Mahakali Caves Road Andheri (East), Mumbai - 400093 (M.H.)
Share transfer system	:	In terms of the SEBI circular, share transfers in physical have been stopped from 1 st April 2019. Further, w.e.f. January 2022, pursuant to SEBI Circular, the Company has stopped processing of duplicate, transmission, cases in physical. The requests received are now converted into demat mode at the time of processing. The members, in their own interest, are requested to get their shareholding dematerialized at an early date.

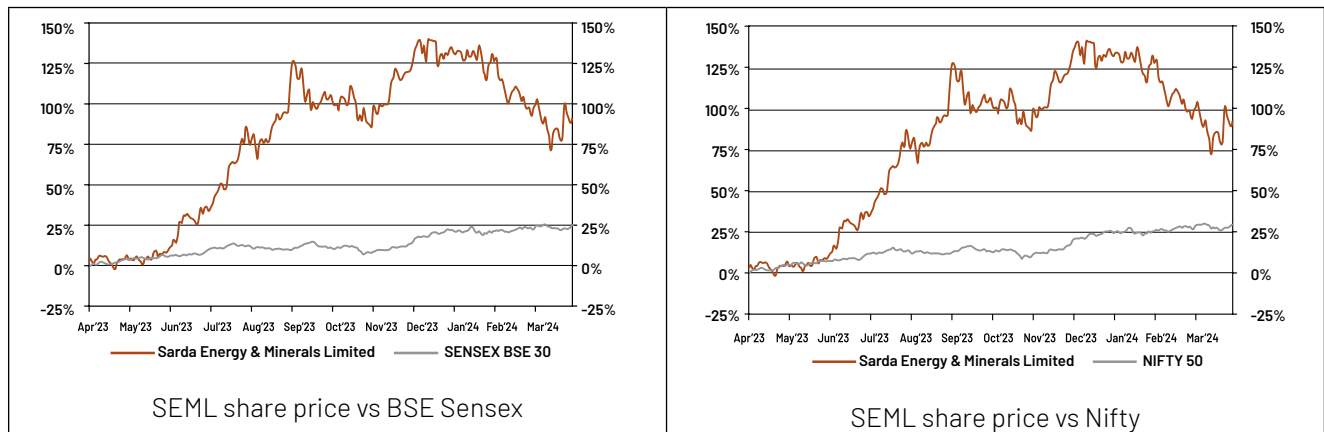
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Market price data: High/low during the year 2023-24*

Month	SEML price on the BSE (in ₹)		SEML price on the NSE (in ₹)	
	High	Low	High	Low
Apr.,2023	1,171.45	1,048.00	1,174.45	1,046.05
May.,2023	1,197.05	1,071.00	1,190.95	1,072.15
Jun.,2023	1,482.95	1,149.95	1,485.00	1,151.10
Jul.,2023	2,025.00	1,425.05	2,025.00	1,430.00
Aug.,2023	2,050.00	173.25	2,050.00	173.15
Sep.,2023	256.00	208.75	256.00	209.00
Oct.,2023	234.30	193.30	234.80	193.05
Nov.,2023	248.05	198.90	248.15	199.00
Dec.,2023	264.95	234.50	265.00	234.00
Jan.,2024	263.15	229.85	263.40	229.40
Feb.,2024	253.55	205.25	253.25	205.25
Mar.,2024	225.50	180.50	225.60	180.25

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10(ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One). Accordingly, the market price data from August 2023 (partly) onwards is after considering the split of shares.

Comparison of SEML share price movements on BSE Sensex and NSE Nifty



Corporate Governance Report

Shareholding pattern as on 31st March 2024

Sl. No.	Category	No. of shares	Percentage
1.	Promoter and Promoter Group	25,59,74,260	72.64
2.	Banks/MFs /FIs/Ins.Cos. /NBFCs/AIFs	1,27,18,515	3.61
3.	Foreign Portfolio Investors	94,90,652	2.69
4.	Bodies Corporate	90,22,802	2.56
5.	Individuals NRIs	16,60,529	0.47
6.	Resident Individuals	5,89,92,856	16.74
7.	IEPF Authority	20,02,940	0.57
8.	Others	25,18,716	0.72
	TOTAL*	35,23,81,270	100.00

*There are no outstanding GDRs/ADRs/Warrants/Convertible instruments of the Company. During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Distribution of shareholding as on 31st March 2024

Shareholding of nominal value (₹)	Shareholders		No. of shares	
	Number	% to total	Number*	% to total
Up to 5,000	53456	97.12	30348814	8.61
5,001 – 10,000	790	1.43	5865145	1.66
10,001 – 20,000	377	0.68	5496222	1.56
20,001 – 30,000	131	0.24	3232783	0.92
30,001 – 40,000	59	0.11	2067822	0.59
40,001 – 50,000	45	0.08	2050713	0.58
50,001 – 1,00,000	75	0.14	5383574	1.53
1,00,001 and above	108	0.20	297936197	84.55
Total	55,041	100.00	35,23,81,270	100.00

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Dematerialization of securities* : The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on 31st March, 2024, out of the total 35,23,81,270 equity shares held by about 55041 (PY 26,836) shareholders, 35,05,20,490 (PY 3,50,10,434) equity shares held by 53,396 (PY 24,845) shareholders representing 99.47% (PY 99.35%) of the total paid-up equity capital have been dematerialized.

The Promoters hold their entire equity shareholding in the Company in dematerialized form.

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Corporate Governance Report

Details of shares transferred to the Suspense Escrow Demat Account are as under:

S. No.	Particulars	Details of shares transferred pursuant to SEBI Circular dated January 25, 2022	
		No. of shareholders	No. of shares*
i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	1	290
ii)	Number of shareholders whose shares were transferred to suspense account during the year	2	1840
iii)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	1	1250
iv)	Number of shareholders to whom shares were transferred from suspense account during the year	1	1250
v)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	2	880

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

7. Hedging of Risks

The Company has in place a Board approved policy which establishes the risk management framework and defines the procedures and controls for effective management of risk's faced by the Company. The Company is having exposure to foreign exchange fluctuation risk, however there is natural hedging partly available in terms of exports made by the Company and its subsidiaries and assets held in other currencies.

Currency hedging is guided by the hedging policy adopted by the Board.

In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per industry requirement. The Company's exposure in none of the commodities, which are sourced for use in its business, is material in the context of its overall operations, and in terms of the 'Policy on Determination of Materiality for Disclosures(s)', as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular

dated 15th November 2018 are not applicable for the Company.

8. Credit Ratings

The details of credit ratings obtained/re-confirmed during the year are as under:

Particulars	Rating
Total facilities rated	₹ 1,476.21 crore
Long Term	CRISIL AA-/Stable
Short Term	CRISIL A1+

9. Disclosures

a) Related Party Transactions

During the period under review, the Company had not entered into any material related party transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 35 of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions

Corporate Governance Report

are entered into based on commercial considerations such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and Associates.

All related party transactions are negotiated on an arms' length basis and are intended to further the Company's interests.

- b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

During the last three years, the Company has complied with all applicable Acts and Regulations and there was no non-compliance by the Company. No penalties, strictures, fines were imposed on the Company by Stock Exchange or SEBI other or any statutory authority, on any matter related to capital markets.

- c) Whistle Blower policy

The Company has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Head HR or the Compliance Officer who report to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

- d) Compliance

Financial Statements: The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

Listing Regulations: There is no non-compliance of any of the requirements of

Corporate Governance for the year under review as required under the Listing Regulations.

Apart from the above, the Company has also adopted the discretionary requirements of having unqualified financial statements and the Internal auditor reporting directly to the Audit Committee.

The Company has also complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. The Company has not entered into any other back-to-back treaties/ contracts/agreements/ MoUs or similar instruments with media companies and/or their associates.

Unclaimed Dividend / Transfer of shares to IEPF / Transfer of dividend on shares transferred to IEPF: In accordance with provisions of Section 124 and 15 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, audit, Transfer and Refund), Rules, 2016 (IEPF Rules) dividend not encashed/ claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The IEPF Rules also mandate companies to transfer shares of Members, whose dividends remain unpaid/unclaimed for a continuous period of seven years, to the demat account of the IEPF Authority. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the Authority.

In accordance with above provisions, the Company has transferred the unpaid dividend

Corporate Governance Report

till the F.Y. 2015-16 to the IEPF. Additionally, as per the requirement and the procedures prescribed under the IEPF Rules, till 31.03.2024, the Company has transferred 20,02,940 shares to IEPF.

The Company had transferred unpaid dividend for F.Y. 2011-12 to IEPF in 2019. However, due to technical reasons, the payment of dividend to IEPF has not been updated in IEPF /MCA records because of which, the relevant details of shareholders (relating to dividend and shares transferred to IEPF) required to be filed with MCA, could not be filed. Even the funds have not been received back by the Company for re-transfer to IEPF. The Company is following up with the authorities/bank for resolution of the matter. Pending resolution of the matter, the Company shall not be able to accept the claims of dividend/shares from IEPF relating to F.Y. 2011-12 and shares transferred to IEPF in 2019.

The details of unpaid dividend lying with the Company, the details of unpaid dividend transferred to IEPF and the details of the shares transferred to IEPF are available on the website of the Ministry of Corporate Affairs (except for details relating to unpaid dividend of F.Y. 2011-12 and shares transferred in 2019, for the reason given herein before) and on the website of the Company. All shareholders whose shares have been so transferred can claim their shares and dividend from the IEPF Authority by following the prescribed procedure.

The Company has appointed Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company - www.seml.co.in.

e) Material financial & commercial transactions by Senior Management

There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

f) Governance Policies

The Company strives to conduct its business and strengthen relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, the Company has adopted various codes and policies to carry out its duties in an ethical manner as named hereunder:

- ✓ Code of Conduct
- ✓ Corporate Social Responsibility Policy
- ✓ Vigil Mechanism and Whistle Blower Policy
- ✓ Policy for determining Material Subsidiaries
- ✓ Code of Conduct for Prohibition of Insider Trading
- ✓ Policy for Selection of Directors and determining Directors Independence
- ✓ Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- ✓ Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions

g) Web-links

1. Material Subsidiary Policy
2. Related Party Transaction Policy
3. Dividend Distribution Policy
4. Other Policies

If for some reasons/technical issues, the links do not support, the members are requested to refer the policies section under the heading Investors on the website of the Company.

h) The Board has adopted all the recommendations made by the committees of the board during the year.

i) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part amounts to ₹ 0.44 crore (Gross).

Corporate Governance Report

j) No complaint pertaining to sexual harassment of women employees was received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, there is no

information required to be furnished.

k) disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

S. No.	Name	Nature	Amount (₹ crore)*
1	Sarda Hydro Power LLP	Loan	0.45
2	Chhatisgarh Investments Ltd.	Loan	366.71

* Outstanding as on 31.03.2024

l) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as under:

S. no	Name of Subsidiary	Place and date of Incorporation	Name of Auditor	Date of Appointment
1.	Madhya Bharat Power Corporation Limited	Delhi 07/09/1994	Ajay Sindhvani & Co.	22/08/2022
2.	Sarda Metals & Alloys Limited	Mumbai 21/10/2008	Singhi & Co.	24/09/2020

m) Certificate from practising Company secretary

Certificate from Mr. Kamlesh Ojha, Partner M/s. S.G. Kankani & Associates, Practising Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is as under:

CERTIFICATE

I, Kamlesh Ojha, Partner of S.G. Kankani & Associates, Practising Company Secretaries do hereby certify that none of the directors on the Board of M/s. Sarda Energy & Minerals Limited, have been debarred or disqualified from being appointed or from continuing as directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs

or any such statutory authority to the best of my knowledge.

This certificate is being issued as per Schedule V under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For, **S.G. KANKANI & ASSOCIATES**

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:

F010807F000888563

Place: Raipur (C.G.)

Date: 3rd August, 2024



Corporate Governance Report

- n) Plant Location : Industrial Growth Centre, Siltara, Raipur (C.G).
493 111
Ph: +91-771-2216100 / Fax: +91-771-2216198
e-mail: cs@seml.co.in
- o) Address for correspondence : Regd. Office
73-A, Central Avenue, Nagpur (M.H.)
Ph: +91-771-2722407
e-mail: cs@seml.co.in

Corporate Governance Report

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Sarda Energy & Minerals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 21st September 2019.
2. We have examined the compliance of conditions of corporate governance by Sarda Energy & Minerals Limited ('the Company') for the year ended on 31st March, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression

of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. 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.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2024.

We 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

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For, **OP Singhania & Co.**
Chartered Accountants
(ICAI Firm Reg. No. 002172C)

Sd/-
(Sanjay Singhania)
Partner

M.No.076961

UDIN: 24076961BKAPEL6569

Raipur

3rd August 2024

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L27100MH1973PLC016617
2	Name of the Listed Entity	Sarda Energy & Minerals Limited
3	Year of Incorporation	1973
4	Registered office address	73/A, Central Avenue, Nagpur (MH)
5	Corporate address	Sarda Energy & Minerals Ltd. Industrial Growth Centre, Siltara, Raipur (Chhattisgarh) - 493111
6	E-mail	cs@seml.co.in
7	Telephone	+91 771-2216100
8	Website	www.seml.co.in
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11	Paid-up Capital	₹ 35,23,81,270/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	BRSR Head Mr. Sanjeev Agarwal President (Plant Operations) sagrawal@seml.co.in +91 771-2216100
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).	Standalone Though the subsidiaries are not included in BRSR, they do strive to carry out their business in a sustainable manner.

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	Iron and steel	65.02%
		Ferro Alloys	22.68%
		Coal	9.20%

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

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Pellet	24109	17.54%
2	Sponge Iron	24102	10.15%
3	Steel Billets	24103	4.83%

Business Responsibility & Sustainability Report

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
4	Wire Rod / HB Wire	24105	32.50%
5	Ferro Alloys	24104	22.68%
6	Coal	05101	9.20%

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	1	4	5
International	-	-	-

17. Markets served by the entity

a. Number of locations

Locations	Number
National	14
International	13

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

In 2023-24, exports contributed 4.58% of the total turnover of the Company.

c. A brief on types of customers

Iron ore pellet is supplied to sponge iron plants mostly located in nearby area. Our customers of Sponge Iron, Billets, Wire rods & HB Wires are mostly small and medium scale companies engaged in downstream products in vicinity. We supply ferro alloys mainly to large steel mills and some quantity to smaller steel mills also. In export market, we supply ferro alloys to large steel mills and multinational trading houses.

Coal is sold mainly to the customers for their captive power plant. Eco bricks are supplied to end use customers including corporates in real estate sector and individuals.

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)	1073	1063	99.07%	10	0.93%
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	1073	1063	99.07%	10	0.93%
WORKERS						
4	Permanent (F)	434	434	100.00%	0	0
5	Other than Permanent (G)	2015	1940	96.28%	75	3.72%
6	Total workers (F + G)	2449	2374	96.94%	75	3.06%

Business Responsibility & Sustainability Report

b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	1	1	100.00%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	1	1	100.00%	-	-
WORKERS						
4	Permanent (F)	5	5	100.00%	-	-
5	Other than Permanent (G)	5	5	100.00%	-	-
6	Total workers (F + G)	10	10	100.00%	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	1	9.09%
Key Management Personnel	1	-	-

20. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.47%	1.00%	5.50%	5.73%	30.00%	5.96%	4.73%	-	4.73%
Permanent Workers	4.27%	-	4.27%	4.70%	-	4.70%	4.61%	-	4.61%

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 indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sarda Energy & Minerals Hongkong Limited	Subsidiary	100.00%	No
2	Sarda Global Venture Pte. Limited	Subsidiary	100.00%	No
3	Sarda Global Trading DMCC	Subsidiary	100.00%	No
4	Sarda Metals & Alloys Limited	Subsidiary	100.00%	No

Business Responsibility & Sustainability Report

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 indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
5	Sarda Energy Limited	Subsidiary	100.00%	No
6	Kalyani Coal Mining Private Limited [#]	Subsidiary	100.00%	No
7	Madhya Bharat Power Corporation Limited	Subsidiary	84.65%*	No
8	Parvatiya Power Limited	Subsidiary	51.00%	No
9	Sarda Hydro Power LLP	Subsidiary	60.00%	No
10	Chhattisgarh Hydro Power LLP	Subsidiary	100.00%*	No
11	Shriram Electricity LLP	Subsidiary	51.00%	No
12	Natural Resources Energy Private Limited	Subsidiary Joint Venture	51.00%	No
13	Raipur Infrastructure Company Limited	Joint Venture	33.33%	No
14	Madanpur South Coal Company Limited	Joint Venture	20.13%	No
15	Bartunga Coal Private Limited [^]	Joint Venture	67.00%	No

* Holding including holding by WOS

Incorporated on 02.05.2023

[^] Incorporated on 02.03.2024

VI. CSR Details

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

(ii) Turnover in ₹ crore 2,733.45

(iii) Net worth in ₹ crore 3,516.34

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances 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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		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
	(If Yes, then provide web-link for grievance redress policy)						

Business Responsibility & Sustainability Report

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
Communities	Yes, Whistle blower policy link https://seml.co.in/	NIL	NIL	–	NIL	NIL	–
Investors (other than shareholders)	Corporate%20 Governance/ Vigil%20 Mechanism.pdf	NIL	NIL	–	NIL	NIL	–
Shareholders	SCORES Portal/ SMART ODR Portal	5	0	–	3	0	–
Employees and workers	Yes, Whistle blower policy link https://seml.co.in/	NIL	NIL	–	NIL	NIL	–
Customers	Corporate%20 Governance/ Vigil%20 Mechanism.pdf	17	0	–	15	0	–
Value Chain Partners	Corporate%20 Governance/ Vigil%20 Mechanism.pdf	NIL	NIL	–	NIL	NIL	–
Other (please specify)	Corporate%20 Governance/ Vigil%20 Mechanism.pdf	NIL	NIL	–	NIL	NIL	–

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability 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, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adaptor mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health & Safety	R	In the shop floor or in field, workers are exposed to dust / gases/ heat / moving parts of machines which may be risky if not addressed.	Extensive training and awareness, use of protective equipment, creating safe working condition, extensive use of technology, safety audits	Negative implications
2	Energy consumption	R	Conventional Energy generation has adverse impact on environment.	Energy efficiency in operations and promoting usage of clean energy.	Negative implications
3	Waste Management	0	In the course of production, a lot of waste (including heat) is generated which, if utilized productively, will make the business sustainable and environment friendly	NA	Positive implications

Business Responsibility & Sustainability Report

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adaptor mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Emission control	R	Manufacturing processes generate hazardous substances adversely affecting environment	Installation of suitable pollution control equipment	Negative implications
5	Water & Effluent Management	R	Water is scarce commodity having impact on environment and society.	Optimize water usage and, treatment and recycling of used water and zero discharge of effluents	Negative implications
6	Responsible Investment	O	Investment approach that recognizes the generation of long-term sustainable returns and is dependent on stable, well-functioning and well-governed social, environmental and economic systems	NA	Positive implications
7	Local Considerations	O	Identification and mitigation of adverse impacts arising out of business operations on local communities, and creating opportunities for enhancing the positive community impacts	NA	Positive implications
8	Human Capital Development	O	Need for developing required calibre of resources to face challenges and providing opportunity to the surrounding communities to participate in growth	NA	Positive implications
9	Human Rights	R	This involves training of employees on human rights, assessment of effect of business operations on human rights	Whistle-blower Mechanism and compliance training covering human rights	Negative implications
10	Environmental Compliance	O	Compliance with local and national environmental regulations	NA	Positive implications
11	Materials	O	Enhancing resource efficiency and increasing the usage of recycled materials across operations	NA	Positive implications
12	Life cycle Management of Assets	O	Long-term management of assets for enhancing the reliability, product quality and operational eco-efficiency of assets.	NA	Positive implications

Business Responsibility & Sustainability Report

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	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
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								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	Policies are available under the Investors' Section on the website of the Company - www.seml.co.in								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/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.	The policies are based on NGRBC								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company has planned to reduce environment pollution and increase the use of green energy.</p> <ul style="list-style-type: none"> • Target set under PAT scheme - 0.5802 TOE/Tonnes. Target to be achieved by FY- 2024-25. • Company has decided to install 50 MW (DC) solar power plant. Order has already been placed and tentative installation by end of FY25. • Company is planning to minimize use of Coal Gasifier and Reheating Furnace for Billet reheating before Wire Rod Mill by adopting direct hot charging process. This will help in reducing pollution. We are in process to stabilize production from direct charging route and able to eliminate RH route by FY 25. • The Company is adding additional bag filters at SID for capturing additional dust generated out of the process and will be taken in line by end of FY 25. • The Company adding additional gas cleaning and cooling system for ferro alloys furnaces and shall be commissioned by December 24. 								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Various related activities are ongoing. The Company expects to meet the deadlines fixed by it.								

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Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									
	<p>We have long recognized the importance of Environment, Social and Governance (ESG). We have worked upon bringing positive change, not just within the industry but also in the communities where we operate. We focus on waste recycling and run waste to wealth programmes to achieve 100% waste utilization. As the shift to a low-carbon economy is likely to unfold faster, the implications on steel sector shall be profound. We take cognisance of reduction in pollution to meet the evolving stakeholder expectations. We continue to seek innovative ways for this transition, through experimentation and investment. While the Company explores sustainable alternatives to traditional steel production methods, it is concurrently investing in new and efficient production methods. We also ensure to safeguard the flora and fauna in the course of our operations.</p> <p>We endeavour to improve health and safety, and community well-being along with workforce diversity and inclusion.</p> <p>We follow high governance practices in our operations. We recognize the criticality of governance challenges relating to business ethics, ever-evolving compliance landscape, and the imperative of improved disclosures. To effectively mitigate these challenges, we have in place Code of Conduct for promoting transparency and accountability.</p> <p>Our efforts towards ESG serves as a catalyst for our long-term success and resilience in the face of evolving market dynamics.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									
	<p>The Board of Directors of the Company is the highest authority responsible for the oversight of the implementation of Business Responsibility policies. The Chairman & Managing Director of the Company is the highest authority responsible for implementation of all policies in the Company.</p>								
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.									
	<p>No. The Board and the other Statutory Committees take care of sustainability related issues.</p>								

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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)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Director									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Director									Quarterly								
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.										P	P	P	P	P	P	P	P	P
										1	2	3	4	5	6	7	8	9
										No.								

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

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SECTION C: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total No of Training & awareness Programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	6	Management, Technical	75.00%
Key Managerial Personnel	8	Technical	100.00%
Employees other than BoD and KMPs	613	Managerial & Technical Behaviors & Motivational	68.00%
Workers	380		80.00%

- 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, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

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

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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
Not Applicable	Not Applicable

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, all our major contracts contain anti bribery clauses and whistle blower policy contains processes to raise voice against corruption and bribery. Weblink is <https://seml.co.in/Corporate%20Governance/Vigil%20Mechanism.pdf>

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 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	1	0
Workers	5	0

6. Details of complaints with regard to conflict of interest

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	—	0	—
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	—	0	—

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

8. Number of days of accounts payables $[(\text{Accounts payable} \times 365) / \text{Cost of goods/services procured}]$ in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	13 days	20 days

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9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties alongwith loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	3.43%	0.11%
	b) Number of trading houses where purchases are made from	3	1
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	100.00%	100.00%
Concentration of Sales	a) Sales to dealers/distributors as % of total sales	Dealers/Distributors not identified	
	b) Number of dealers/distributors to whom sales are made		
	c) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of RPTs in	a) Purchases (Purchases with related parties/Total Purchases)	3.23%	6.64%
	b) Sales (Sales to related parties/Total Sales)	2.86%	1.79%
	c) Loans & advances (Loans & advances given to related parties/Total loans & advances)	72.84%	63.45%
	d) Investments (Investments in related parties/Total Investments made)	70.33%	80.73%

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	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
03	Awareness on Labour Laws & Principles	9.00%

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, the Company has a Code of Conduct for all members of the Board, which requires all Directors of the Company to always act in the interest of the Company and ensure that any other business or personal association which they may have does not involve any conflict of interest with the operations of the Company. In case of any actual or potential conflict of interest, the concerned Director is required to immediately report such conflicts and seek approvals as required by the applicable law and under Company's policies.

The Company receives an annual declaration from its Board of Directors and senior executives confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest.

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

Essential Indicators

- 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.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and Social impacts
R&D	Not quantified	Not quantified	Internal team undertakes the R & D activities on a continuous basis, to recycle waste, reduce natural resource consumption including power, water and air, achieve efficiency in operations.
Capex	16.48%	29.49%	Reduction in environment pollution, efficiency in production, reduction in water consumption.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
 No. However, the Company expects its suppliers & transporters to abide by its ethical, social, safety, and security standards for transparent, hassle-free, and long-term business relationships. The Company takes effort to ensure that its suppliers & transporters are compliant in areas such as pollution control, child labour, forced or compulsory labour, health & safety & hospitality, and human rights etc.
 - If yes, what percentages of inputs were sourced sustainably?
 Not applicable.
- 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.
 The plastic waste, E-waste and hazardous waste left over after reuse / recycle in production process is disposed of through authorized/registered recyclers/disposers. All non-hazardous waste is either recycled and reused in its own operations for brick making/road making or sold as co-products to other industries, with the largest customer being the cement industry.
- 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.
 Yes. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry)? If yes, provide details in the following format?
 No.

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.
—	—	—	—	—	—

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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 /Description of the risk	Action taken service	Concern
The Company has not conducted LCA for its products.		

3. Percentage of recycled or reused input material to total material (by value) used in production.

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Fly Ash/Bed Ash	13.83%	16.40%
Char/Dolochar	0.45%	2.82%
Silico Slag	20.02%	20.60%
MNO Slag	10.00%	8.13%
Induction Slag	3.36%	3.70%
Mill Scale	0.18%	0.58%
End Cutting Scrap	0.81%	0.75%

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 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Used oil / Greases	-	-	27.90	-	-	25.93
Spent iron exchange resin containing toxic metal	-	-	0.24	-	-	0.18
Exhaust Air or Gas cleaning residue (Coal tar from gasifier)	-	-	1,902.70	-	-	1,893.07
Residue or sludge Containing phenol (Phenolic water)	-	-	336.70	-	-	306.60
E - Waste	-	-	2.07	-	-	4.90
Battery Waste	-	-	3.06	-	-	21.46

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 % of total products sold in respective category
Not Applicable	

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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

Category	% 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	1063	1063	100.00%	1063	100.00%	-	-	-	-	-	-
Female	10	10	100.00%	10	100.00%	10	100.00%	-	-	-	-
Total	1073	1073	100.00%	1073	100.00%	10	100.00%	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Category	% 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 Workers											
Male	434	434	100.00%	434	100.00%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	434	434	100.00%	434	100.00%	-	-	-	-	-	-
Other than Permanent Workers											
Male	2015	2015	100.00%	2015	100.00%	-	-	-	-	-	-
Female	75	75	100.00%	75	100.00%	-	-	-	-	-	-
Total	2090	2090	100.00%	2090	100.00%	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	0.07%	0.04%

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

Benefits	FY 2023-24			FY 2022-23		
	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	97.67%	100.00%	Y	99.40%	100.00%	Y
Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
Others, please specify						
NPS	6.70%	-	Y	5.74 %	-	Y
Superannuation	1.72%	-	Y	1.67 %	-	Y

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.

Yes. Additional places are being covered, depending upon requirement.

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.

No.

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

	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

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	Yes
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

The Company has grievance redressal mechanism for employees. There is also a grievance redressal procedure which includes subjects such as discharge / dismissal, misconducts, fines etc. The Employees have the facility to raise their complaints at appropriate level and if not satisfied with the resolution may raise it to higher level and in appropriate cases, to the Audit Committee.

Chairman & Managing Director / Jt. Managing Director of the Company also interacts with the employees to assess and resolve their grievances/issues.

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

Category	FY 2023-24			FY 2022-23		
	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						
Male						
Female						
Total Permanent Workers						
Male						
Female						

Not Applicable

8. Details of training given to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill Up gradation		Total (D)	On Health and safety measures		On Skill Up gradation	
		No. (B)	% (B / A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F/D)
Employees										
Male	1063	780	73.37%	-	-	1063	772	72.62%	772	72.62%
Female	10	6	60.00%	-	-	10	6	60.00%	6	60.00%
Total	1073	786	73.25%	-	-	1073	778	72.51%	778	72.51%
Workers										
Male	434	434	100.00%	-	-	425	425	100.00%	227	53.41%
Female	-	-	-	-	-	-	-	-	-	-
Total	434	434	100.00%	-	-	425	425	100.00%	227	53.41%

9. Details of performance and career development reviews of employees and Worker

	FY 2023-24			FY 2022-23		
	Total	No	%	Total	No	%
Employees						
Male	1063	816	76.76%	1063	806	75.82%
Female	10	7	70.00%	10	6	60.00%
Total	1073	823	76.70%	1073	812	75.68%

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	FY 2023-24			FY 2022-23		
	Total	No	%	Total	No	%
Workers						
Male	434	434	100.00%	429	429	100.00%
Female	-	-	-	-	-	-
Total	434	434	100.00%	429	429	100.00%

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. Occupational health and safety management system has been implemented by the Company. The Coverage of the system is as per ISO 45001:2018. The Company endeavors to prevent all injuries and work-related illnesses. It recognizes health and safety as an integral part of its operations by promoting "Zero Incidents" in its operations. It aspires to set the highest standards required to comply and exceed applicable statutory health and safety requirements. It provides appropriate trainings to employees, associates, contractors and suppliers to help them work safely. The system helps in assessing risks and provides controls on health and safety hazards in operations and activities. Regular assurance programs are conducted and timely actions are taken. The systems ensure that incidents are reported timely, investigated for root causes and deployment of lessons learnt across the division.

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

A well-defined safety observation system, hazard identification and risk assessment procedures are in place. Some of them are enlisted below:

- Hazard Identification & Risk Assessment
- Quantitative Risk Assessment
- Job Safety Analysis
- Inspections
- Audits
- Safety Observation System

Safety is reviewed by the Risk Management Committee and by the Board as an important part of the operations review. The safety performance with all locations is reviewed on a continuous basis.

Each activity has been defined through associated hazards and risks on various parameters - i.e. occurrence, severity, legal concern, likelihood of detection, etc. The control measure has been put in place for each such activity.

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

Yes. The workers can report incidents and near-misses to their immediate reporting officers / Head of HSE and can also raise their safety concerns. The Company has an established Hazard Identification and Risk Assessment (HIRA) process for both routine and non-routine jobs. Routine trainings on HIRA and Job Safety Assessment (JSA) are being provided to operation, maintenance and service engineers.

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

Yes

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11. Details of safety related incidents

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR)(per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	1	2
No. of fatalities	Employees	0	0
	Workers	0	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 workplace.

- Hazard identification, Risk Assessment and Management is done in accordance with Hazard Identification and Risk Assessment (HIRA) Procedure and Job Safety Analysis (JSA) Procedure.
- Hierarchy of controls is followed for application of risk control measures, Control Plans commensurate to risk are deployed before execution of job. No job is executed until risks are brought down to acceptable range.
- Safety Committees are in place at various levels to review the adequacy of resources for safety and to provide support for safety management system deployment.
- Deployment of Safe and Healthy work system is assured through periodic safety audits and inspections across sites.
- We have carried out Medical Examination as per Form-21 of all the workers/employees through authorized diagnostic center and we also organize health camps on BP/Sugar, Eye checkup, physical fitness at regular intervals.

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

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	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	—	Nil	Nil	—
Health & Safety	Nil	Nil	—	Nil	Nil	—

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*	100.00
Working Conditions [#]	100.00

* Assessment has been done by Mr. Ramesh Kumar Patel (Competent Person under CG Labor Department)

Assessment has been done by M/s Arvind Industrial Hygiene (Competent Person under C.G. Labour Department)

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.

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- All safety related accidents are investigated and learning's from investigation reports are shared across organization for deployment of corrective actions to stop recurrence of such incidents. Effectiveness of corrective action deployment is checked during Safety Audits.
- Significant risks/concerns arising from assessment of Health and Safety Practices are addressed through elimination of manual job through use of Technology/Digitization, Safety Capability Building, Monitoring and supervision, etc.
- Based on the reports of health check-up camps, counseling of workers/employee is done from time to time and in required cases, suitable/proper medical check-up of the worker/employee is done.

Leadership Indicators

- 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).

A. Employees - Yes

B. Workers - Yes

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

The contracts / work orders issued by the Company incorporates statutory provisions including payment and deduction of statutory dues such as Goods and Services Tax, Provident Fund, Employee State Insurance, etc. The suppliers / contractors are responsible for adherence to various statutes required for their operations, whilst the Company is responsible as a principal employer. Non-compliance attracts actions required under law and penalties as per the Company's own policies. In case of contractors, we insist for providing proof of statutory payments being done by them.

- 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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

- 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. We support the retired employee for advisory roles and also support other employees to get suitable job, except in case of serious disciplinary action.

- 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	—
Working Conditions	—

The company assesses its value chain partners who work within the premises of the Company.

Business Responsibility & Sustainability Report

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.

Please refer point 15 of this principal

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

Stakeholders play an important role to maintain sustainable operations of the organization. The Company maintains a dynamic and strategic stakeholder engagement process where it identifies key stakeholder groups from the larger universe of all possible stakeholders. This is done after considering the material influence each group has on the Company's ability to create value (and vice-versa).

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

Key Stake holders	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half Yearly/ Quarterly/Others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities	No	Regular filings, submissions, meetings, Regulatory audits/ inspections	As and when required	Discussions with regard to various regulations, tax matters, inspections, approvals, assessments and compliances.
Investors / Shareholders	No	Analyst meets, conference calls, Annual General Meeting, Official communication channels: Advertisements, publications, website, plant visits by analysts	Quarterly/ Annually/as and when required	Equitable reach to the information and developments with transparency to enable them to take a considered call.
Employees	No	Intranet portal, Emails and meetings, Training programs, Performance appraisal, Grievance redressal mechanisms, Notice boards	Intranet - Daily / event based Emails - As and when required	To keep employees abreast of key developments happening in the company and also addressing their grievances
Customers	No	Customer meets, Official communication channels: Advertisements, publications, website, conferences events, Phone calls, emails and meetings.	Frequent and as and when required	To acquire new customers and service the existing ones. Grievance redressal.

Business Responsibility & Sustainability Report

Key Stake holders	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half Yearly/ Quarterly/Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Institutions & Industry Bodies	No	Networking through meetings, brainstorming sessions, discussions, etc.	As and when required	To discuss points of common interest and to interact with Regulators
Communities and Civil Society	No	Need assessment, meetings and briefings, Partnerships in community development projects, Training and workshops, Impact assessment surveys, Official communication channels: Advertisements, publications, website, Complaints and grievance mechanism	Frequent and as and when required	Community development through CSR projects. Impact assessment of our business. Upliftment of downtrodden.
Suppliers	No	Vendor assessment and review, seminars, Official communication channels, Exhibitions Advertisements, publications, website	As and when required	To make that part of our growth journey, new vendor / product development, Technical support. Grievance redressal

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.

The Company has delegated the consultation between the stakeholders and the Board on economic, environmental, and social topics to the Jt. Managing Director (JMD) of the Company. The JMD and the senior management team of the Company regularly updates the Chairman & Managing Director, Board and various Board Committees on relevant issues. These updates are provided during the Board meetings and separate meetings of various Board Committees.

The Company has put in place processes which ensure that feedback from key stakeholders are received by the management and presented to the Board and Board committees in their meetings.

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.

Yes. The Company engages with various stakeholders in helping to ensure that every group's expectations are heard. Social development activities are carried out which provides opportunities to communities for their holistic and inclusive development. The CSR activities of the Company focus on healthcare and quality education. Through continuous and purposeful engagement with the local communities, we work towards creating a value-based and empowered society. The CSR activities also collaborate with communities to facilitate them overcome various livelihood challenges and skill development opportunities. The various evolving aspects of ESG makes it a learning phase and hence stakeholder interactions remain vital for the Company.

Business Responsibility & Sustainability Report

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

The villagers in remote and non-approachable areas are deprived of basic healthcare and basic education facility. Our company has supported NGOs for 50 schools operating in such areas. We are also operating mobile hospitals with free medicines for such deprived / marginalized groups. We also support such groups for livelihood / alternate source of income through micro businesses such as tailoring, dairy farming, home-made food product through training and financial support.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (A)	No. of employees/ workers covered (B)	% (B / A)
EMPLOYEES						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	Nil	Nil	Nil	Nil	Nil	Nil
WORKERS						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Workers	Nil	Nil	Nil	Nil	Nil	Nil

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

Category	FY 2023-24					FY 2022-23				
	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										
Male	1063	-	-	1063	100.00%	1063	-	-	1063	100.00%
Female	10	-	-	10	100.00%	10	-	-	10	100.00%
Other Than Permanent						-	-	-	-	-
Workers										
Male	434	-	-	434	100.00%	425	-	-	425	100.00%
Female	-	-	-	-	-	1	-	-	1	100.00%
Other Than Permanent										
Male	1940	1875	96.65%	65	3.35%	1925	1843	95.74%	82	4.26%
Female	75	75	100.00%	-	-	-	-	-	-	-

Business Responsibility & Sustainability Report

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)	10	13,65,000/-	1	13,80,000/-
Key Managerial Personnel	1	26,89,992/-	-	-
Employees other than BoD and KMP	1,415	4,54,934/-	9	3,69,113/-
Workers	425	3,01,109/-	-	-

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)

Yes. Human rights is a sensitive issue and the Company has zero tolerance to Human Rights violation. Human Rights is one of the key focus areas for the Company. Any case of Human Rights violation, whenever reported, shall be investigated by Head HR reporting directly to Jt. Managing Director.

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

The Company has put in place a grievance redressal process for investigation of employee concerns and has in place various rules which clearly mentions employee responsibilities and acceptable employee conduct. All employees can register their grievances with the HR department. The issue once registered is duly addressed by the HR department.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other Human Rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a% of female employees / workers	-	-
Complaints on POSH upheld	-	-

Business Responsibility & Sustainability Report

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
The company has formed a Whistle Blower Policy which contains sufficient safeguards to prevent adverse consequences to the complainant.

9. Do human rights requirements form part of your business agreements and contracts?(Yes/No)
Yes. The business agreements and contracts do include Company’s expectations to promote sustainability, fair competition and respect for human rights.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	Company’s plant and offices are assessed for compliance on human rights issues by internal team.
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	
Child labour	

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

No significant risks or concerns arose from the Assessments

Leadership Indicators

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

Not required.

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

None

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?

Yes. Additional places are being covered, depending upon requirement.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	We ensure human rights compliance on all the tabulated parameters in case of value chain partners working inside our premises. No assessment done for other value chain partners. As such % coverage would be insignificant.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

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

No significant risks or concerns arose from the Assessments

Business Responsibility & Sustainability Report

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 2023-24	FY 2022-23
Total electricity consumption (A)**	192280.32 GJ	192300.48GJ
Total fuel consumption (B)**	16191934.18 GJ	16514445.95 GJ
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	16384214.50 GJ	16706746.43 GJ
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	0.00060 GJ/₹	0.00055 GJ/₹
Energy intensity (optional) - the relevant metric may be selected by the entity	NA	NA

** Total Electricity consumption means Total Electrical Energy (Import - Export), considering grid energy input as 860 Kcal / KWH

*** All the captive power generation and its use in plant has been counted in energy received from burning of coal.

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.

No independent assessment has been carried out by external agency w.r.t. energy consumption.

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, our manufacturing facility is identified as DC for PAT CYCLE - VII A. Target set under PAT scheme - 0.5802 TOE/Tonne.

Assessment Year - FY- 2024-25

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	26,31,673	28,47,594
(ii) Ground water	27,112	1,28,919
(iii) Third party water	25,370	61,204
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)(i + ii + iii + iv + v)	26,84,155	30,37,717
Total volume of water consumption (in kilolitres)	26,84,155	30,37,717
Water intensity per rupee of Turnover (Water consumed / turnover)	0.098	0.101
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.

No.

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

Yes. The Company recognizes the need for the efficient management of water resources within and outside its operating sites. Efforts are made to increase water use efficiency, while also ensuring its availability for all stakeholders. All plants are based on the principle of 'ZERO LIQUID DISCHARGE'. Waste water is treated and re-cycled in the water use cycle or diverted for horticulture / dust suppression use.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Tonnes/day	1.85	1.96
SOx	Tonnes/day	2.96	3.53
Particulate matter (PM)	Tonnes/day	0.46	0.62
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others-please specify	NA	NA	NA

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.

No independent assessment has been carried out by external agency w.r.t. air emissions.

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Not yet assessed		
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 1 and Scope 2 emissions per rupee of turnover			
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.

No independent assessment has been carried out by external agency w.r.t. greenhouse gas emissions.

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

Yes. The Company has done extensive plantation in and around the plant premises and takes every possible efforts/step to reduce emissions. The Company is using e-vehicles for movement of personnel. The Company is also installing a solar power plant for energy consumption. It is also proposed to use e-trucks for internal movement of material. The company is replacing conventional lighting system with LED lights and all new lighting systems are LED only. All new motors for drive operations being installed are energy efficient motors (IEEE). The reciprocating compressors have been replaced with Screw Compressors to save energy.

Business Responsibility & Sustainability Report

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.00	1.29
E-waste (B)	2.07	4.90
Bio-medical waste (C)	0.011	0.00816
Construction and demolition waste (D)	NA	NA
Battery waste (E)	3.06	21.5
Radioactive waste (F)	0	0
Other Hazardous waste. Please Specify, if any. (G)		
1. Used Oil / Greases	27.90	25.93
2. Spent iron exchange resin containing toxic metal	0.24	0.18
3. Exhaust Air or Gas cleaning residue (Coal tar from gasifier)	1902.70	1893.07
4. Residue or sludge Containing phenol (Phenolic water)	336.70	306.66
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	517195.29	519969.76
Total (A+B + C + D + E + F + G + H)	519468.97	522223.30
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	152747.20	6742.00
(ii) Re-used	51748.92	292934.38
(iii) Other recovery operations	0	0
Total	204496.12	299676.38
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Land filling	0	0
(iii) Other disposal operations	314972.85	222546.92
Total	314972.85	222546.92

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.

No independent assessment has been carried out by external agency.

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.

The Company has promoted waste management practices aimed to achieve maximum waste utilization / recycling for sustainable and responsible business operation. The major waste stream at Power Plant is ash (fly ash +bottom ash) and the Company has achieved 100% fly ash utilization in FY24. The slag generated in production of steel and ferro alloys is also used in brick making and road construction.

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Hazardous waste	
Tarry residues waste	Sold to Authorized Vender/Recycler & Co-processing in cement kiln
Used / Spent Oil	Sold to Authorized Vender/Recycler
Spent iron exchange resin containing toxic metal	Utilization for energy recovery in boiler for steam or power generation.
Non Hazardous waste	
Char & Dolochar	The Dolochar is used as fuel in our power plant for power generation. The balance amount of Dolochar is sold to the various parties for utilization as fuel. Char is also sold to the various parties. No dumping or storage of Char/Dolochar is practiced.
Dust collected from Pollution Control Units / Equipments	ESP dust of WHRB is mixed with fly ash and utilized for Bricks manufacturing in our bricks plant. Dust generated from various bag houses in the plant is also being used for making of bricks, tiles, blocks, etc. within the plant premises. The dust collected in bag house of ferro alloys plant is recycled by making sinter for recovery of manganese.
Fly ash and bottom ash	The fly ash is being utilized for bricks, tiles, blocks etc. and is also sold to cement plants.
Slag from process Ferro Manganese Silico-Manganese;	We are producing both Ferro Manganese and Silico-Manganese; the Ferro Manganese slag is being utilized as raw material for production of Silico-Manganese in the Ferro Alloys Plant. The silico slag is granulized and used as raw material in brick making. The iron slag is crushed and magnetic slag is separated for recycling in steel making. Residue is used in bricks, blocks and tiles making as replacement of sand / sold in the market. Slag is also regularly lifted by local road contractor.
Mill Scale	Recycled for recovery of iron in manufacturing process.
End Cutting / Miss-role (Cobble)	Used as a raw material for small rolling mills or fed into our Induction Furnaces for remelting.
Hot Out	Reused in the Rolling Mill

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:

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
1.8 MTPA Gare Palma, IV/7 Coal Mine Project, Raigarh (C.G.)	EIA notification 2006 and as amended	S.O. 1533 (E) 14th September 2006 and various amendments	Yes	Yes	https://parivesh.nic.in

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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
Enhancement in capacity of existing Coal Washery Plant from 0.96 MTPA to 5.2 MTPA in two Phases (Phase - I : 0.96 MTPA to 1.8 MTPA and Phase -II : 1.8 MTPA to 5.2 MTPA at Tehsil-Tamnar, Dist - Raigarh (C.G.)	EIA notification 2006 and as amended	S.O. 1533 (E) 14th September 2006 and various amendments	Yes	Yes	https://parivesh.nic.in

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 there under (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, all plants of SEML are compliant with applicable environmental laws/ regulations and guidelines. All relevant clearances/permissions are in place for all the plants.

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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	0.565 GJ	0.585 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0.565 GJ	0.585 GJ
From non-renewable sources		
Total electricity consumption (D) [§]	192280.32 GJ	192300.48 GJ
Total fuel consumption (E) [^]	16191934.18 GJ	16514445.95 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	16384214.50 GJ	16706746.43 GJ

§ Total Electricity consumption means Total Electrical Energy (Import - Export), considering grid energy input as 860 Kcal / KWH

^ All the captive power generation and its use in plant has been counted in energy received from burning of coal.

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.

No independent assessment has been carried out by external agency.

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2. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(v) Others	NA	NA
- 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.

No.

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:

The plant of the Company is not located in water stress area.

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Not yet assessed		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 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.

No independent assessment has been carried out by external agency w.r.t. greenhouse gas emissions.

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.

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

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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
01	New Gas cleaning plant (GCP) for Ferro alloys Furnace – A.	We had common GCP for Furnace A&B. We are installing one more GCP to have separate GCP for both furnaces Dust level shall be reduced to < 30mg/Nm ³ . All new types of controllers and instrument systems will be installed for better performance.	Reduction in dust emission levels. Further improvement expected.
02	Centralized bag filter at Sponge Iron plant.	Pollution control system installation is in progress with a capacity of 100000 CMH, in which dust getting spread through conveyor handling and other system shall be extracted to pass through bag filter and get stored in silo. Dust level shall be reduced to <30mg/Nm ³ . All new types of controllers and instrument systems will be installed for better performance.	Reduction in dust emission levels. Further improvement expected

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

Yes, the Company has business continuity and disaster management plan having well-defined parameters to ensure Business continuity. Those parameters are tested at frequent intervals and upgraded wherever required. The company has also taken suitable insurance cover to safeguard its interest in exigent cases. The main objective of business continuity parameters is to ensure business continuity under disruptive incidents with an aim to minimize impact on continuity of business, human life and other living beings, environment, stakeholders and economic loss.

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.

A substantial part of grid power is generated using thermal coal. We are installing 50 MW solar power plant to reduce adverse impact to environment arising from consumption of grid power.

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

Not evaluated

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.

19

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.

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S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Entrepreneurs Organization (EO)	International
2	Confederation of Indian Industries (CII)	National
3	Federation of Indian Chamber of Commerce & Industries (FICCI)	National
4	ASSOCHAM	National
5	Pellet Manufacturer's Association of India (PMAI)	National
6	Sponge Iron Manufacturer Association (SIMA)	National
7	Indian Ferro Alloys Producers' Association (IFAPA)	National
8	Chhattisgarh Sponge Iron Manufacturer Association	State
9	Chhattisgarh Steel Re-Rollers Association	State
10	Urla Industrial Association (UIA)	State

- 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.

No adverse orders received from regulatory authorities for anti-competitive conduct.

Leadership Indicators

- Details of public policy positions advocated by the entity

SI 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/ other please specify)	Wen link, if available
			None		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

- 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

NIL

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

Not applicable

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

The grievance could be mailed or delivered to surendra.kl@seml.co.in. The grievance could also be sent to plant in-charge who will handle the same. The grievances received are escalated to the appropriate level depending on the nature of the grievance, its complexity and impact. The grievances so received with solution is reviewed by the management at the highest level.

Business Responsibility & Sustainability Report

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	5.56	4.22
Sourced directly from within the district and neighboring districts	37.19	44.73

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24	FY 2022-23
Rural	100%	100%
Semi-urban	-	-
Urban	-	-
Metropolitan	-	-

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

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):

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 (₹)
1.	CG	Rajnandgaon & Narayanpur (CG)	2,87,97,619/-

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

No, we do not have a policy on this as yet. However, we give preference to procure from suppliers comprising marginalised/ vulnerable groups.

- b. From which marginalized /vulnerable groups do you procure?

Jagruti SHG Group

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

Negligible

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
1	NIL	-	-	-

Business Responsibility & Sustainability Report

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

S. No.	CSR Project	No. of persons benefitted from CSR Project	% of beneficiaries from vulnerable and marginalized group
1	Education Project	1235	46.00
2	Health Care Project	26332	49.00
3	Infrastructure Project	82359	74.00
4	Art, Culture & Sport	28932	45.00
5	Livelihood Projects	435	21.00

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

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
All grievances could be submitted to the Marketing Head. The marketing team handles the grievances in a timely and appropriate manner. All such complaints and redressal are reviewed by the management at the highest level.
- Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage of turn over
Environmental and social parameters relevant to the product	The Company's products do not have any mandatory labelling requirements. As such the products do not carry this information.
Safe and responsible usage	
Recycling and/or safe disposal	

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

Category	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	There have been no consumer complaints received in respect of these practices.			There have been no consumer complaints received in respect of these practices.		
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:

Category	Number	Reasons for Recall
Voluntary Recall	NIL	Not Applicable
Forced Recall	NIL	Not Applicable

Business Responsibility & Sustainability Report

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

Yes. Risk Management Policy of the Company covers cyber security aspects. The policy can be accessed at the following link - <https://seml.co.in/Corporate%20Governance/SEML%20-%20Risk%20Management%20Policy.pdf>

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.

No action required.

Leadership Indicators

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

All information regarding business of the Company can be accessed through the Company's website www.seml.co.in and in its periodic disclosures such as the annual report. - Link - <https://seml.co.in/products.php>

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

Not Applicable

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

The Company is not dealing in essential services.

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)

The Company's products do not have any mandatory labelling requirements. However, while supplying Ferro Alloys to large OEM customers, we supply in 1mt jumbo bags which have the Company name embossed on it and also Company provides test certificates issued by in house testing lab and sometimes from the certified third parties containing quality parameters, as well as the chemical and physical properties of the product. The above information is also available in product brochures that are given to customers.

Feedback is a continuous process at our operations, and we leverage feedback for continual improvement in product and service quality, for benchmarking ourselves with industry.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact - **None**

b. Percentage of data breaches involving personally identifiable information of customers - **Not Applicable**

Standalone Financials

Independent Auditor's Report

TO THE MEMBERS OF

SARDA ENERGY & MINERALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SARDA ENERGY & MINERALS LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2024, 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 ended on that date and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including

Independent Auditor's Report

other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design

and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report

in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 financial statements of the current period 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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, 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 financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, the remuneration paid 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 financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the

Independent Auditor's Report

Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- i) As stated in Note 53 to the standalone financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) As the company has not paid and declared any interim dividend during the year and upto the date of our report, therefore, this clause is not applicable.
- (c) 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 accordance with section 123 of the Act, as applicable.
- j) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

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

For **O.P. Singhania & Co.**
(ICAI FRN 002172C)
Chartered Accountants

Sanjay Singhania
Partner

Membership No.076961
Raipur, 25th May, 2024

UDIN: 24076961BKAPCG5186

Annexure A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sarda Energy & Minerals Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (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) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the Property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the Standalone financial statements included under Property, Plant and Equipment and investment Properties are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company
- as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the physical verification of inventories has been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not more than 10% or more in the aggregate of each class of inventory and have been properly dealt with in the books of account.
- (b) Based on the audit procedure and on an overall examination of financial statements, we are of the opinion that the stock statements and quarterly returns filed by the company, in respect of working capital loan availed from banks, are in agreement with the books of account of the company and no material discrepancies have been observed.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has provided unsecured loans or advances in the nature of loans and provided security to any other entity during the year,
 - A) The Company has provided loans or advances in the nature of loans and corporate guarantee, or provided security to subsidiaries during the year. The aggregate amount of loan or advances and corporate guarantee given during the year ₹402.68 crores and ₹8.25 crores respectively and the balance outstanding with respect to such loans provided at the balance sheet date was ₹191.98 crores and the corporate guarantee of Rs.25.54 crores.
 - B) The aggregate amount of loan given during the year ₹1825.05 Crores and the balance

Annexure A

outstanding with respect to such loans and security provided at the balance sheet date other than subsidiaries, associates and Joint ventures is ₹474.33 Crores.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loans or advances in the nature of loans repayable on demand or with specific terms & condition to promoters, related parties during the year as defined in Clause (76) of Section 2 of the Companies Act, 2013.

₹ in Crore

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans or advances in the nature of loan repayable on demand/specific terms & condition	2227.73	1746.33	164.67
Percentage of loans or advances in the nature of loan to the total loan	100%	78.39%	7.39%

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable 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 records.

vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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

- (b) Details of statutory dues referred to in sub-

Annexure A

clause (a) above which have not been deposited as on 31st March, 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount* (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.21	Mar 1986 to Oct 1988	M.P. High Court
Central Excise Act, 1944	Excise Duty	0.08	Mar 1989 to Aug 1989	Commissioner (Appeals)
Central Excise Act, 1944	Excise Duty Penalty	0.02 0.03	2016-17	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.03	2015-16 & 2016-17	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.30	Jul 2016	Commissioner (Appeals)
SGST Act, 2017	GST	0.30	Jul 2022	GST Appellate Tribunal
Custom Act, 1962	Custom Duty	0.20	May 2016	Customs Excise & Service Tax Appellate Tribunal
CGST Act, 2017	Trans Credit	2.20	2017-18	Commissioner (Appeals)
CGST Act, 2017	Trans Credit	1.28	2017-18	Commissioner (Appeals)
Central Sales Tax Act & Sales Tax Acts of Various states and Entry Tax Act, 1976	Value Added Tax, Central sales tax and Entry tax.	8.49	2006-07 to 2013-14	Appellate Authorities up to Commissioner and High Court level
Income Tax Act, 1961	Income Tax	10.42	A.Y. 2017-18	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	1.16	A.Y. 2018-19	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	0.71	A.Y. 2020-21	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	6.05	A.Y. 2022-23	Commissioner of Income Tax (Appeal)
Chhatisgarh Upkar Adhiniyam, 1981	Energy Development Cess	88.70	May 2006 to March 2024	Supreme Court

*Net of deposits

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other

borrowings or in the payment of interest thereon to any lender and hence reporting under clause 3(ix)(a) of the Order is not applicable.

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

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term

Annexure A

loans during the year for the purpose for which they were obtained.

- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the 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.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes



Annexure A

us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) in accordance with Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) and (b) of the Order is not applicable for the year.

For **O.P. Singhania & Co.**

(ICAI FRN 002172C)

Chartered Accountants

Sanjay Singhania

Partner

Membership No.076961

Raipur, 25th May, 2024

UDIN: 24076961BKAPCG5186

Annexure B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sarda Energy & Minerals Limited of even date)

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

We have audited the internal financial controls over financial reporting of **SARDA ENERGY & MINERALS LIMITED** (the "Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for

our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Annexure B

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal

financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **O.P. Singhania & Co.**

(ICAI FRN 002172C)

Chartered Accountants

Sanjay Singhania

Partner

Membership No.076961

Raipur, 25th May, 2024

UDIN: 24076961BKAPCG5186

Standalone Balance Sheet

as at 31st March 2024

(₹ in Crore)

	Note	AS AT 31.03.2024	AS AT 31.03.2023
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment		516.53	519.77
(b) Capital work-in-progress	2	46.39	27.64
(c) Investment Property		29.70	38.01
(d) Other Intangible Assets		36.10	37.69
(e) Financial Assets			
(i) Investments	3	987.06	891.01
(ii) Loans	4 (a)	-	199.73
(iii) Other Financial Assets	4 (b)	8.69	0.24
(f) Other Non-current Assets	5	71.66	57.95
		1,696.13	1,772.04
(2) Current Assets			
(a) Inventories	6	347.15	548.88
(b) Financial Assets			
(i) Investments	7	413.87	210.57
(ii) Trade receivables	8	41.48	90.44
(iii) Cash & cash equivalents	9	76.11	2.32
(iv) Bank balances other than (iii) above	10	546.89	238.46
(v) Loans	11 (a)	667.62	442.11
(vi) Other Financial Assets	11 (b)	2.07	19.64
(c) Other Current Assets	12	99.38	179.82
		2,194.57	1,732.24
TOTAL ASSETS		3,890.70	3,504.28
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13 (a)	35.24	35.24
(b) Other Equity	13 (b)	3,481.10	3,067.48
Total Equity		3,516.34	3,102.72
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	34.79	82.73
(ii) Other financial liabilities	15	3.04	3.11
(b) Provisions	16	31.45	30.94
(c) Deferred tax liabilities (Net)	17	39.46	39.58
		108.74	156.36
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	99.23	56.22
(ii) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	19	6.15	3.49
(b) Total outstanding dues of creditors other than micro and small enterprises		62.11	51.57
(iii) Other financial liabilities	20	45.40	82.27
(b) Other current liabilities	21	39.12	46.97
(c) Provisions	22	0.68	1.00
(d) Current tax liabilities (net)		12.93	3.68
		265.62	245.20
TOTAL EQUITY AND LIABILITIES		3,890.70	3,504.28

Material Accounting Policies

1

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholtime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Standalone Statement of Profit and Loss

for the year ended 31st March 2024

(₹ in Crore)

	Note	Year Ended 31.03.2024	Year Ended 31.03.2023
I. Revenue from operations	23	2,733.45	3,020.45
II. Other income	24	185.05	87.24
III. Total Revenue (I + II)		2,918.50	3,107.69
IV. Expenses			
Cost of materials consumed	25	1,670.80	1,719.83
Purchases of Stock-in-Trade		45.25	89.88
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	76.22	(20.91)
Employee benefits expense	27	105.71	94.69
Finance costs	29	18.24	15.95
Depreciation and amortization expense	2	64.48	65.89
Other expenses	30	320.99	295.59
Total Expenses		2,301.69	2,260.92
V. Profit Before Tax (III - IV)		616.81	846.77
VI. Tax expense			
(1) Current tax		151.14	216.36
(2) Deferred tax		(0.21)	(8.00)
VII. Profit for the period (V - VI)		465.88	638.41
Other comprehensive income for the year, net of tax	33		
Items that will not be reclassified to profit or loss		0.67	(0.56)
Income tax relating to items that will not be reclassified to profit or loss		(0.09)	0.02
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		466.46	637.87
VIII. Earnings per equity share	32		
Basic		13.22	18.02
Diluted		13.22	18.02

Material Accounting Policies

1

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

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RAIPUR

DATED : 25th May, 2024

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DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Standalone Statement Of Changes In Equity

For for the year ended 31st March 2024

(₹ in Crore)

a. Equity Share Capital

For the year ended 31st March 2023	Balance at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the year	Balance at 31st March, 2023
	36.05	-	36.05	(0.81)	35.24
For the year ended 31st March 2024	Balance at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the year	Balance at 31st March, 2024
	35.24	-	35.24	-	35.24

b. Other Equity

	Reserves and Surplus					OCI	Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as of 1st April, 2022	4.05	194.01	-	171.83	2,236.41	0.40	2,606.70
On account of buy back of equity shares			0.81	(150.86)			(150.05)
Other Comprehensive Income					(0.54)	-	(0.54)
Profit for the year					638.41		638.41
Interim Dividends					(27.04)		(27.04)
Balance as of 31st March, 2023	4.05	194.01	0.81	20.97	2,847.24	0.40	3,067.48

	Reserves and Surplus					OCI	Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as of 1st April, 2023	4.05	194.01	0.81	20.97	2,847.24	0.40	3,067.48
Other Comprehensive Income					0.60	-	0.60
Profit for the year					465.88		465.88
Final Dividends					(52.86)		(52.86)
Balance as of 31st March, 2024	4.05	194.01	0.81	20.97	3,260.86	0.40	3,481.10

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For **O.P.Singhania & Co.**

(ICAI FRN 002172C)

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DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Standalone Statement Of Cash Flow

Statement the year ended 31st March 2024

(₹ in Crore)

	Year ended 31.03.2024	Year ended 31.03.2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per statement of Profit & Loss	616.81	846.77
Adjustments for		
Depreciation and amortization expense	64.48	65.89
Finance Costs	18.24	15.95
Exchange differences on translation of assets and liabilities	(0.37)	(0.42)
Loss pertaining to scrapping of assets	(0.05)	0.33
Allowance/(Reversal) for credit losses on financial assets	(0.12)	0.14
Interest Income	(97.72)	(66.59)
Corporate Guarantee Commission	(0.49)	(0.39)
Net (Gain)/Loss on investments pertaining to Fair valuation	(51.31)	25.49
Dividend Income	(5.45)	(21.74)
(Profit) / Loss on sale of investments	(13.86)	(2.36)
(Profit) / Loss on sale of PPE	0.05	(2.17)
Share of (Profit)/loss in Partnership Firm	(14.73)	(17.82)
Coal Mining Assets written off	-	0.30
Operating Profit before changes in non-current/current assets and liabilities	515.48	843.38
Adjustments for		
Trade Receivables	49.32	2.56
Inventories	201.74	(119.75)
Trade Payables	13.39	(86.86)
Loans and advances and other assets	282.75	(36.80)
Liabilities and provisions	(40.43)	(0.52)
Cash generated from operations	1,022.25	602.01
Income Tax Paid	(144.78)	(222.15)
Net cash from/ (used in) operating activities	877.47	379.86
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in PPE including capital advances	(73.50)	(21.73)
Sale proceeds of PPE	0.37	2.67
Investment made in Subsidiaries	(80.71)	14.35
Investment in FDR (made)/Liquidated	(308.39)	(229.49)
Other Investments (made)/liquidated	(138.23)	41.06
Loan/Interest repaid by/(given) to related parties	(164.07)	(67.47)
Loan/Interest repaid by/(given) to Others	(61.55)	7.46
Interest received	97.72	66.59
Dividend received	5.45	21.74
Cash from/(used in) investing activities	(722.91)	(164.82)

Standalone Statement Of Cash Flow

Statement the year ended 31st March 2024

(₹ in Crore)

	Year ended 31.03.2024	Year ended 31.03.2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payments for Buy Back of shares	-	(151.67)
Repayment of long term borrowings	(51.55)	(60.13)
Short term borrowings (net)	43.03	28.52
Finance cost	(19.39)	(16.98)
Dividend paid	(52.86)	(27.04)
Cash from/(used in) financing activities	(80.77)	(227.30)
Increase/(decrease) in Cash and Cash equivalents (A+B+C)	73.79	(12.26)
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	73.79	(12.26)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	2.32	14.58
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	76.11	2.32
Supplementary Information		
Restricted Cash Balance	0.93	0.89
Increase/(decrease) in Cash and Cash equivalents	73.79	(12.26)
Notes		
(a) Cash and cash equivalent include the following		
Cash on Hand	0.18	0.15
Balances with Scheduled banks	75.93	2.17
	76.11	2.32

(b) Reconciliation between opening and closing balance in the balance sheet for liabilities arising from financial activities due to cash flows and non cash flow changes

	As at 01.04.2023	Cash Flow		Non cash changes		As at 31.03.2024
		Proceeds	Repayments	Fair value changes	Classification changes	
Long Term Borrowings	82.73	-	(51.55)	-	3.61	34.79
Short Term Borrowings	56.22	46.62	-	-	(3.61)	99.23

(c) Figures in brackets represent outflows.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For O.P.Singhanian & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

FOR AND ON BEHALF OF THE BOARD

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Notes to the Standalone Financial Statements

as on 31 March 2024

1 Company Overview

The Company has integrated steel manufacturing facility starting from iron ore mining to the finished steel in the form of wire rod and H.B. wire. The Company is also a leading manufacturer and exporter of Ferro Alloys enjoying Two Star Export House Status. The manufacturing facilities are backed by captive thermal power plant. The Company has also promoted hydropower projects through SPVs.

1.1 Material Accounting Policies

Basis of preparation of financial statements

1.2 Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('Act')(to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

1.3 Basis of Measurement

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following:

- certain financial assets and liabilities including derivative instruments measured at fair value
- defined benefit plans - plan assets measured at fair value

The financial statements are presented in Indian rupees rounded off to nearest crore.

1.4 Use of estimate

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates

and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.5 Summary of material accounting policies

1.5.1 Revenue recognition

- Revenue from the sale of products is recognized when the entity satisfies a performance obligation by transferring a promised good or service to a customer at an amount as specified in the contract.
- Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. (For the purpose of determining the transaction price, an entity shall assume that the goods or services will be transferred to the customer as promised in accordance with the existing contract) The transaction price of goods sold and services provided is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract; revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved
- Revenue from the sale of products is recognized when the control of the goods has been transferred to the customer as specified in the contract. Revenue is recognized for variable considerations such as discounts, rebates, refunds, credits, price concessions, incentives, GST, VAT, Sales tax, or other similar items in a contract when they are highly probable to be provided which is when significant risks and rewards of ownership pass to

Notes to the Standalone Financial Statements

as on 31st March 2024

the customer. The amount of revenue excludes any amount collected on behalf of third parties

- Revenue from the sale of power is recognized when the services are transferred to the customer at the amount specified for transferring promised goods and are measured based on bilateral contractual agreements. The Company doesn't recognize revenue for the cost incurred in the past that will be recovered.

Other operating revenue:

- Revenue from the sale of land and plots is recognized in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of collection from buyers
- Export incentives and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions and the incentive will be received. Export benefits available are accounted for in the year of export

Contract Balances:

- Refund liability is recognized if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer. Refund liability is calculated as the sum of the consideration received (or payable) for which the entity does not anticipate being entitled (i.e., sums not included in the transaction price).
- A receivable is recognized when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets
- A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer.

Contract liabilities are recognized as revenue when the Company performs under the contract including Advance received from the Customer.

- Government grants/ subsidies are recognized at fair value where there is reasonable certainty that the grant / subsidy will be received and all attached conditions will be complied with.

1.5.2 Other income

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Operations and maintenance income

Income arising from billing of maintenance charges is recognized in the period in which the services are being rendered.

Incentives

Revenue is recognized when the right to receive the credits is established and there is no significant uncertainty regarding the ultimate collection.

1.5.3 Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. These are included in profit or loss within other gains/ losses.

The residual values, useful lives and

Notes to the Standalone Financial Statements

as on 31st March 2024

methods of depreciation are reviewed at each financial year end and adjusted prospectively.

ii) Depreciation

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. Leased assets are amortized on a straight-line basis over the useful life of the asset or the remaining period of lease, whichever is earlier. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.

Mining rights and expenditure incurred on development of mines are amortized over useful life of mines or lease period, whichever is earlier.

iii) Subsequent costs

Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset 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 cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of any component recognized as a separated component is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss as incurred.

iv) Mining Assets

1. Acquisition Cost

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

Bid premium and royalties payable with respect to mining operations is contractual obligations. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/statute.

2. Exploration and evaluation

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

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

3. Site restoration, rehabilitation and environmental costs

Provision is made for costs

Notes to the Standalone Financial Statements

as on 31st March 2024

associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The cost are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the cost of restoration are capitalized. The provision for decommissioning assets is based on the current estimated of the cost for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalized asset is charged to profit and loss over the life of the asset through amortization over the life of the operation and the provision. Management estimates are based on local legislation and/ or other agreements are reviewed periodically.

v) Spare parts

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized and depreciated on straight line method on prorata basis at the rates specified therein. Other spare parts are carried as inventory and recognized in the income statement on consumption.

1.5.4 Investment properties

Property that is held for capital appreciation or for earning rentals or both or whose future use is undetermined is classified as investment property. Items of investment properties are measured at cost less

accumulated depreciation / amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Investment properties are depreciated on straight line method on prorata basis at the rates specified therein. Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset 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.

1.5.5 Intangible assets

Intangible assets comprising of computer software, mining rights are stated at cost of acquisition/ implementation/ development less accumulated amortization.

Amortization

Intangible Assets are amortized over technically useful life of the asset.

1.5.6 Capital work in progress

Capital work in progress is stated at cost.

Expenditure in relation to survey and investigation of the projects is carried as Capital Work in Progress. Such expenditure is either capitalized as cost of project on completion of the construction of the project or the same is expensed in the year in which it is decided to abandon such project.

1.5.7 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Notes to the Standalone Financial Statements

as on 31st March 2024

As a lessee

A lease is classified on the inception date as a finance or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or if lower the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leases under which substantially all the risks and rewards of ownership are not transferred to the Company are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

As a lessor

Lease payments under operating leases are recognized as an income on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation. The respective leased assets are included in the balance sheet based on their nature.

1.5.8 Inventory

- i) Stores and Spares are carried at cost (net of GST credits availed) on moving average basis and net realizable value whichever is lower.
- ii) Raw Materials are carried at cost (net of GST credits availed) on moving average basis and net realizable value whichever

is lower. However, raw materials 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.

- iii) Finished and semi finished products produced or purchased by the Company are carried at lower of cost and net realizable value. Cost includes direct material and labor cost and a proportion of manufacturing overheads. Cost of finished goods includes excise duty based on prevailing rate.
- iv) By products are valued at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- v) Cost of land and plots under development includes cost of land under development, internal and external development cost and related overhead costs and valued at lower of cost or net realizable value.

1.5.9 A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

Financial asset

i) Initial measurement

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are recognized on trade date. Financial assets of the Company include investments in equity shares of subsidiaries, associates, joint ventures and other companies, trade and other

Notes to the Standalone Financial Statements

as on 31st March 2024

receivables, loans and advances to employees and other parties, deposits etc.

ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets of the Company are classified in the following categories:

- 1) financial assets measured at amortised cost
- 2) financial assets measured at fair value through other comprehensive income
- 3) financial assets measured at fair value through profit and loss and

The classification of financial assets depends on the objective of the business model. Management determines the classification of its financial assets at initial recognition.

Financial instruments measured at amortized cost

A financial instrument is measured at amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance

income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables, bank deposits, security deposits, cash and cash equivalents, employee and other advances.

Financial instruments measured at fair value through other comprehensive income

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets
- (b) the asset's contractual cash flow represent SPPI

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the expected interest rate (EIR) model.

Financial instruments measured at fair value through profit and loss

Fair value through profit and loss is the residual category. Any financial instrument which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified at FVTPL.

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair

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value plus transaction costs. Fair value movements are recorded in statement of profit and loss.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. Such election is made on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have been transferred, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liability

i) Initial measurement

All financial liabilities are recognized initially at fair value net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings, trade and other payables etc.

ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial liabilities of the Company are classified in the following categories:

- 1) financial liabilities measured at amortised cost
- 2) financial liabilities measured at fair value through profit and loss

Financial liabilities at amortised cost:

Financial liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.5.10 Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Investments in subsidiaries, associates and joint ventures are measured at cost in accordance with Ind AS 27. Investments in mutual funds are measured at fair value through profit and loss (FVTPL). The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Trading instruments are recognised at FVTPL

1.5.11 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment using expected credit loss method.

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as on 31st March 2024

1.5.12 Loans and borrowings

Loans and borrowings are initially recognized at fair value net of transaction costs incurred. Subsequently, these are measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

1.5.13 Trade and other payables

These amount represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the EIR model.

1.5.14 Derivatives

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

1.5.15 Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

a) Financial assets measured at amortized cost e.g. loans, deposits and trade receivables.

b) Financial assets measured at FVTOCI e.g. investments.

Expected credit losses are measured through a loss allowance at an amount equal to:

(i) The 12 months expected credit loss (expected credit losses that result from those defaults events on the financial instruments that are possible within 12 months after the reporting date); or

(ii) Full time expected credit loss (expected credit loss that results from all possible defaults events over the life time of the financial instruments)

Loss allowance for trade receivable are always measured at an amount equal to life time expected credit losses,

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

As a practical expedient, the Company uses a provision matrix to determine the impairment loss on its trade receivables. The provision matrix is based on historically observed default rates and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward looking estimates are analyzed.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying

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amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

1.5.16 Taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities

for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.5.17 Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to

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the employees. The related actuarial and investment risks fall on the Company.

Contribution to Provident fund and Contributory pension fund are accounted for on accrual basis. Provident fund contributions are made to a fund administered through statutory fund.

Actuarial gains or losses on gratuity and leave encashment are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

1.5.18 Provisions and contingent liabilities

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is

virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.5.19 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks are considered part of the Company's cash management system.

1.5.20 Foreign currency transactions

The Company's financial statements are presented in INR which is also the functional currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the

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closing rate are recognized as income or expenses in the period in which they arise.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

1.5.21 Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalized as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

1.5.22 Share Based Payments

The fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over period in which the options are vested. The increase in equity recognized in connection with a share based payment transaction is presented as a separate component of equity. The amount recognized as an expense is adjusted to reflect the actual number of share options that vest.

1.5.23 Advance Stripping Cost

The Company distributes stripping (waste removal) costs incurred during the production phase of its mining operations on equitable basis over estimated minable reserves. This calculation requires the use of judgments and estimates relating to the expected tons of waste to be removed over the life of the mining area and the expected economically recoverable reserves to be extracted as a result. This information is reviewed periodically to calculate the average life of mine strip ratio (expected waste to expected mineral reserves ratio). Changes in a mine's life and design will usually result in changes to the average life of mine strip ratio. These changes are accounted for prospectively.

1.5.24 Segment Reporting

i) Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

ii) Segment Accounting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

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iii) Inter-Segment Transfers

The Company generally accounts for intersegment transfers at an agreed transaction value.

iv) Unallocated Items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 33 for details on segment information presented.

1.5.25 Onerous Contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating/

exiting the contract and the expected net cost of fulfilling the contract.

1.5.26 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated.

1.5.27 New and amended standards

The Company has not early adopted any standards, amendments that have been issued but are not yet effective / notified. The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated 31st March 2023, to amend the existing Ind AS 12, 1,8,34,109,101,102,103,107 and 115. There is no such impact of amendments which would have been applicable from 1st April 2023.

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(₹ in Crore)

Note 2

PROPERTY, PLANT & EQUIPMENT	Gross Block			Depreciation				Net Block		
	As on 01.04.2023	Addition/ Transfer during the year	Transfer / Sale / Adjustment	As on 31.03.2024	Up to 01.04.2023	Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Freehold Land	8.96	17.99	-	26.95	-	-	-	-	26.95	8.96
Leasehold Land	20.25	0.30	-	20.55	1.50	0.48	-	1.98	18.57	18.75
Building	166.30	12.32	-	178.62	63.32	9.87	(1.29)	74.48	104.14	102.98
Plant & Machinery	696.78	25.99	1.39	721.38	316.96	48.74	0.98	364.72	356.66	379.82
Furniture, Fixture & Equipment	9.88	0.89	0.06	10.71	7.33	1.02	0.05	8.30	2.41	2.55
Vehicles	12.11	3.85	0.30	15.66	5.40	2.71	0.25	7.86	7.80	6.71
	914.28	61.34	1.75	973.87	394.51	62.82	(0.01)	457.34	516.53	519.77

Ageing of capital work-in-progress is as below

As at 31st March 2024

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	30.17	3.25	12.97	-	46.39
	30.17	3.25	12.97	-	46.39

As at 31st March 2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	10.54	17.10	-	-	27.64
	10.54	17.10	-	-	27.64

Note:

As at the balance sheet date, assets / projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

INVESTMENT PROPERTY	Gross Block			Depreciation				Net Block		
	As on 01.04.2023	Addition during the year	Transfer / Sale / Adjustment	As on 31.03.2024	Up to 01.04.2023	Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Freehold Land-IP	26.02	-	-	26.02	-	-	-	-	26.02	26.02
Admin Bldg- IP	13.73	-	9.51	4.22	1.74	0.07	1.27	0.54	3.68	11.99
	39.75	-	9.51	30.24	1.74	0.07	1.27	0.54	29.70	38.01

Amount recognized in profit & loss for investment properties

CWIP		
Rental Income (Included in non-operating income)		0.13
Other expenses related to investment Properties		0.04
Profit from Investment Properties before depreciation		0.09
Depreciation		0.09
Profit/(Loss) from Investment Properties		0.00

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(₹ in Crore)

OTHER INTANGIBLE ASSETS	Gross Block			As on 31.03.2024	Up to 01.04.2023	Depreciation		Net Block		
	As on 01.04.2023	Addition during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Software	2.38	-	-	2.38	1.77	0.17	-	1.94	0.44	0.61
Minig Rights & Development	40.10	-	-	40.10	3.02	1.42	-	4.44	35.66	37.08
	42.48	-	-	42.48	4.79	1.59	-	6.38	36.10	37.69

Note: 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 the lessee), are held in the name of the Company. Further the company has not carried out revaluation of items of property plant and equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer is not applicable.

Details of property plant and equipment pledged against borrowings is presented in note no 14 and 18.

Note 2

PROPERTY, PLANT & EQUIPMENT	Gross Block			As on 31.03.2023	Up to 01.04.2022	Depreciation		Net Block		
	As on 01.04.2022	Addition/ Transfer during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Freehold Land	8.96	-	-	8.96	-	-	-	-	8.96	8.96
Leasehold Land	26.67	-	6.42	20.25	0.80	0.70	-	1.50	18.75	25.87
Building	160.73	7.33	1.76	166.30	53.90	9.52	0.10	63.32	102.98	106.83
Plant & Machinery	631.12	69.30	3.64	696.78	267.05	51.30	1.39	316.96	379.82	364.07
Furniture, Fixture & Equipment	9.02	0.98	0.12	9.88	6.12	1.33	0.12	7.33	2.55	2.90
Vehicles	7.33	5.12	0.34	12.11	4.47	1.18	0.25	5.40	6.71	2.86
	843.83	82.73	12.28	914.28	332.34	64.03	1.86	394.51	519.77	511.49

Ageing of capital work-in-progress is as below

As at 31st March 2023

(₹ in Crore)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	10.54	17.10	-	-	27.64
	10.54	17.10	-	-	27.64

As at 31st March 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	56.94	10.66	-	0.30	67.90
	56.94	10.66	-	0.30	67.90

Note:

As at the balance sheet date, assets / projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

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(₹ in Crore)

INVESTMENT PROPERTY	Gross Block			As on 31.03.2023	Up to 01.04.2022	Depreciation		Net Block		
	As on 01.04.2022	Addition during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Freehold Land-IP	26.02	-	-	26.02	-	-	-	-	26.02	26.02
Admin Bidg- IP	13.93	-	0.20	13.73	1.56	0.26	0.08	1.74	11.99	12.37
	39.95	-	0.20	39.75	1.56	0.26	0.08	1.74	38.01	38.39

Amount recognized in profit & loss for investment properties

CWIP	31.03.2023
Rental Income (Included in non-operating income)	0.20
Other expenses related to investment Properties	0.04
Profit from Investment Properties before depreciation	0.16
Depreciation	0.26
Profit/(Loss) from Investment Properties	(0.09)

OTHER INTANGIBLE ASSETS

	Gross Block			As on 31.03.2023	Up to 01.04.2022	Depreciation		Net Block		
	As on 01.04.2022	Addition during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Software	2.38	-	-	2.38	1.59	0.18	-	1.77	0.61	0.79
Minig Rights & Development	40.10	-	-	40.10	1.60	1.42	-	3.02	37.08	38.50
	42.48	-	-	42.48	3.19	1.60	-	4.79	37.69	39.29

Note: 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 the lessee), are held in the name of the Company. Further the Company has not carried out revaluation of items of property plant and equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer is not applicable.

Details of property plant and equipment pledged against borrowings is presented in note no 14 and 18.

Note 3

NON - CURRENT ASSET - FINANCIAL ASSET- INVESTMENTS	As at 31st March 2024	As at 31st March 2023
A. Investments in Equity Instruments		
Subsidiary Companies - Unquoted (at cost)		
(a) 10,00,000 (P.Y. 10,00,000) Equity Shares of Sarda Energy & Minerals Hong Kong Limited of HKD 1.00 each	0.56	0.56
(b) 40,85,100 (P.Y. 40,85,100) Equity Shares of Sarda Global Venture Pte Limited of US\$ 1.00 each	28.30	28.30
(c) 7,16,307 (P.Y. 7,16,307) Equity Shares of Sarda Energy Limited of ₹ 10/- each	74.60	74.60
(d) 2,10,16,000 (P.Y. 2,10,16,000) Equity Shares of Sarda Metals & Alloys Limited of ₹ 10/- each	214.00	213.48

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(₹ in Crore)

NON - CURRENT ASSET - FINANCIAL ASSET- INVESTMENTS	As at 31st March 2024	As at 31st March 2023
(e) 18,60,65,080 (P.Y. 18,60,65,080) Equity Shares of Madhya Bharat Power Corporation Limited of ₹ 10/- each	460.08	460.08
(f) 7,83,182 (P.Y. 7,83,182) Equity Shares of Parvatiya Power Private Limited of ₹ 10/- each	7.84	7.84
(g) 5,100 (P.Y. 5,100) Equity Shares of Natural Resources Energy Private Limited of ₹ 10/- each	0.03	0.03
(h) 1,000 (P.Y. 1,000) Equity Shares of Sarda Global Trading DMCC of AED 1,000 each	1.88	1.88
(i) 2,48,00,000 (P.Y. NIL) Equity Shares of Kalyani Coal Mining Pvt. Ltd of ₹ 10/- each	24.80	-
In Joint Ventures (at cost)		
(a) 1,30,800 (P.Y. 1,30,800) Equity Shares of Raipur Infrastructure Company Private Limited of ₹ 10/- each	2.11	2.11
(b) 1,30,742 (P.Y. 1,30,742) Equity Shares of Madanpur South Coal Company Limited of ₹ 10/- each	1.83	1.83
B Investments in LLP (at cost)		
(a) Shri Ram Electricity LLP	3.61	3.58
(b) Chhattisgarh Hydro Power LLP	165.32	94.72
(c) Sarda Hydro Power LLP	0.30	0.30
C In Other companies-Carried at FVTOCI		
4,85,000 (P.Y. 4,85,000) Equity Shares of Chhattisgarh Ispat Bhumi Limited	1.45	1.45
D Investments in Mutual Funds - Carried at FVTPL		
1,49,980 units (P.Y. 1,49,980 units) of KBC Mutual Fund	0.35	0.25
	987.06	891.01

	As at 31st March 2024	As at 31st March 2023
Aggregate amount of quoted investment and market value thereof-		
Aggregate book value of quoted investments	0.35	0.25
Aggregate market value of quoted investments	0.35	0.25
Aggregate value of unquoted investments	986.71	890.76
Investment carried at cost	985.26	889.31
Investment carried at fair value through OCI	1.45	1.45
Investment carried at fair value through Profit & Loss	0.35	0.25

(i) The Company, in its capacity as promoter, has pledged 16,47,52,864 shares of Madhya Bharat Power Corporation Limited and 1,07,18,160 shares of Sarda Metals & Alloys Limited as security for loans availed by the entities.

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 4 (a)

NON CURRENT ASSETS - FINANCIAL ASSETS - LOAN	As at 31st March 2024	As at 31st March 2023
(a) Loans and advances to related parties		
Unsecured , considered good	-	199.73
	-	199.73

Details of Loans and Advances in the nature of loans granted to the related parties (as defined under Companies Act 2013) either severally or jointly with any other person that are repayable as per specified terms.

As at 31st March,2024

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Related parties	-	-

As at 31st March,2023

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Related parties	199.73	100.00%

Note 4 (b)

NON CURRENT ASSETS - FINANCIAL ASSETS - OTHER FINANCIAL ASSETS	As at 31st March 2024	As at 31st March 2023
(a) Security Deposits		
Unsecured , considered good	8.69	0.24
	8.69	0.24

Note 5

OTHER NON-CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023
(a) Capital Advances		
Unsecured, considered good	44.46	40.27
(b) Advances other than capital advances		
Unsecured, considered good		

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

OTHER NON-CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023
(i) Security Deposits		
Unsecured, considered good	0.66	0.67
(ii) Other advances		
Unsecured, considered good		
Advance income tax	15.51	8.62
Prepaid expenses	1.06	1.02
Balances with Revenue Authorities	9.97	7.37
	71.66	57.95

Note 6

INVENTORIES	As at 31st March 2024	As at 31st March 2023
(valued at lower of cost and net realisable value)		
(a) Raw Material	152.27	277.23
(b) Finished / semi finished goods	139.72	215.78
(c) Stock-in-Trade	0.02	0.17
(d) Stores and spares	44.66	40.66
(e) Project under Development	10.48	15.04
	347.15	548.88

Note 7

CURRENT ASSETS - FINANCIAL ASSETS- INVESTMENTS	As at 31st March 2024	As at 31st March 2023
Investments in Equity Instruments-Carried at FVTPL		
In Other Companies		
32,813 (P.Y. 32,813) Equity Shares of Abhishek Mills Limited	0.00	0.00
19,80,000 (P.Y. 19,80,000) Equity Shares of Canfin Homes Limited	149.08	104.78
7,376 (P.Y. 7,376) Equity Shares of Indian Metals & Ferro Alloys Limited	0.47	0.21
1,10,861 (P.Y. 1,10,861) Equity Shares of Life Insurance Corporation	10.16	5.92
Investments in Mutual Funds	196.46	4.81
Investments in Quoted Bonds	32.76	61.59
Investments in Quoted Debentures	-	33.26
Investments in Commercial Paper	24.94	-
	413.87	210.57

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Aggregate amount of quoted investment and market value thereof-		
Aggregate book value of quoted investments	159.71	110.92
Aggregate market value of quoted investments	159.71	110.92
Aggregate book value of investments in Mutual Fund, Bonds, Debentures and Commercial paper.	254.16	99.66
Aggregate market value of investments in Mutual Fund, Bonds, Debentures and Commercial paper.	254.16	99.66
Investment carried at fair value through Profit & Loss	413.87	210.57

Note 8

Trade Receivables	As at 31st March 2024	As at 31st March 2023
Trade receivables considered good - Unsecured	41.48	90.44
Trade receivables which have significant increase in Credit Risk	2.94	2.88
Trade receivable - credit impaired	-	0.14
Less: Provision for trade receivables considered good which have significant credit risk and credit impaired	(2.94)	(3.02)
Investment carried at fair value through Profit & Loss	41.48	90.44

	Outstanding for following period for due of payment as on 31st March 2024						
	Not Due	Less than 6 month	6 Month to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed trade receivables- considered good	29.76	11.65	0.03	-	0.04	-	41.48
Undisputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	-	2.94	2.94
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
	29.76	11.65	0.03	-	0.04	2.94	44.42

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	Outstanding for following period for due of payment as on 31st March 2023						
	Not Due	Less than 6 month	6 Month to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables- considered good	53.17	36.56	0.67	0.04	-	-	90.44
Undisputed trade receivables- which have significant increase in Credit Risk	-	-	-	0.19	0.04	2.65	2.88
Undisputed trade receivables- credit impaired	-	-	-	-	-	0.14	0.14
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
	53.17	36.56	0.67	0.23	0.04	2.79	93.46

Note 9

CURRENT ASSETS - FINANCIAL ASSETS - CASH & CASH EQUIVALENTS	As at 31st March 2024	As at 31st March 2023
Balances with banks		
In current accounts	0.12	2.17
FDR with Bank(Bank Deposits with original maturity up to 3 months)	75.81	-
Cash on hand	0.18	0.15
	76.11	2.32

Note 10

CURRENT ASSETS - FINANCIAL ASSETS - BANK BALANCE OTHER THAN (iii) ABOVE	As at 31st March 2024	As at 31st March 2023
Earmarked balances in banks for :		
Unpaid dividend	0.93	0.89
FDR with Bank (With maturity more than 3 months but less than 12 months)	545.96	237.57
	546.89	238.46

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 11(a)

CURRENT ASSETS - FINANCIAL ASSET - LOANS	As at 31st March 2024	As at 31st March 2023
(a) Loans and advances to related parties	558.69	394.64
Unsecured, considered good		
(b) Other loans		
Unsecured, considered good		
(i) Loans to employees	1.31	1.40
(ii) Loans and advances to other parties	107.62	46.07
	667.62	442.11

Note 11(b)

CURRENT ASSETS - FINANCIAL ASSET - OTHER FINANCIAL ASSET	As at 31st March 2024	As at 31st March 2023
(i) Earnest money deposit	1.86	8.29
(ii) Claims & recoverables	0.21	11.35
	2.07	19.64

Details of Loans and Advances in the nature of loans granted to the related parties (as defined under Companies Act 2013) either severally or jointly with any other person that are repayable on demand

As at 31st March 2024

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Related parties	558.69	83.85%

As at 31st March 2023

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Related parties	394.64	89.55%

Notes to the Standalone Financial Statements

as on 31st March 2024

Note 12

(₹ in Crore)

OTHER CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023
Advances other than capital advances		
(a) Other Advances		
(i) Employee Advance	0.22	0.10
(ii) Advances to vendors	81.71	159.46
(b) Other Advances		
(i) Advance royalty paid	10.65	16.57
(ii) Prepaid expenses	5.38	2.25
(iii) Balances with tax authorities	1.41	1.43
(iv) Others	0.01	0.01
	99.38	179.82

Note 13 (a)

EQUITY SHARE CAPITAL	As at 31st March 2024		As at 31st March 2023	
	No.	₹ in Crore	No.	₹ in Crore
A Authorized				
Equity Shares of ₹ 1/- each*	500,000,000	50.00	50,000,000	50.00
Issued, Subscribed and fully paid up				
Equity Shares of ₹ 1/- each*	352,381,270	35.24	35,238,127	35.24
	352,381,270	35.24	35,238,127	35.24

B Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

	As at 31st March 2024		As at 31st March 2023	
	No.	₹ in Crore	No.	₹ in Crore
Number of shares outstanding at the beginning of the period*	352,381,270	35.24	36,049,235	36.05
Additions during the period	-	-	-	-
Deductions during the period (**)	-	-	811,108	0.81
Number of shares outstanding at the end of the period	352,381,270	35.24	35,238,127	35.24

(*) During the year 2023-24, w.e.f. 04.08.2023, the equity shares were split from face value of ₹ 10/- to face value of ₹ 1/-. There was no change in the issued capital.

(**) On account of Buyback of shares.

Notes to the Standalone Financial Statements

as on 31st March 2024

C Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sales proceeds of the remaining assets of the Company after distribution of all the preferential amounts. The distribution shall be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at 31st March 2024		As at 31st March 2023	
	Number of shares	%	Number of shares	%
Chhatisgarh Investments Limited	135,974,930	38.59%	13,597,493	38.59%
Sarda Agriculture and Properties Private Limited	25,818,670	7.33%	2,581,867	7.33%

E In the period of five years immediately preceding 31st March 2024, the Company has not issued bonus shares, and has not allotted any equity shares. However the Company has bought back 8,11,108 equity share in F.Y. 2022-23.

F There are no shares reserved for issue under options and there are no contracts or commitments for the sale of shares or disinvestment

G Details of promoters' shareholding percentage in the Company is as below

S Promoter Name No.	Share held by promoter at the end of the year		% Change during the year
	No of Shares	% of total shares	
1 Kamal Kishore Sarda	54,84,550	1.56%	0.00%
2 Kamal Kishore Rathi	58,310	0.02%	0.00%
3 Aditi Sarda	88,730	0.03%	0.00%
4 Shashi Rathi	1,89,150	0.05%	0.00%
5 Jugal Kishore Sarda (HUF)	2,11,000	0.06%	0.00%
6 Sonal Sarda	5,52,160	0.16%	0.16%
7 Aditya Ghanshyam Sarda	11,28,400	0.32%	0.00%
8 Raghav Sarda	11,28,400	0.32%	0.00%
9 CSP Investments (Chhatisgarh Investments Ltd, Sarda Agriculture and Properties Pvt. Ltd., Prachi Agriculture & Properties Pvt. Ltd.)	14,39,370	0.41%	0.00%
10 Vipula Sarda	41,06,390	1.17%	0.00%
11 Ghanshyam Sarda	62,10,360	1.76%	0.00%
12 Pankaj Sarda	67,14,410	1.91%	0.00%
13 Veenadevi Sarda	70,23,500	1.99%	0.00%
14 Manish J Sarda	75,52,160	2.14%	0.00%
15 Neeraj Sarda	70,00,000	1.99%	-0.16%
16 Anant Sarda	78,52,890	2.23%	0.00%
17 Uma Sarda - Trustee to K K Sarda Family Trust	97,15,450	2.76%	0.00%
18 Uma Sarda	1,20,72,210	3.43%	0.00%

Notes to the Standalone Financial Statements

as on 31st March 2024

Share held by promoter at the end of the year				% Change during the year
S No.	Promoter Name	No of Shares	% of total shares	
19	Prachi Agriculture & Properties Private Limited	1,56,53,220	4.44%	0.00%
20	Sarda Agriculture and Properties Private Limited	2,58,18,670	7.33%	0.00%
21	Chhatisgarh Investments Limited	13,59,74,930	38.59%	0.00%
		25,59,74,260	72.64%	0.00%

Note 13 (b)

(₹ in Crore)

OTHER EQUITY	As at 31st March 2024	As at 31st March 2023
Capital Reserve		
Balance as per last financial statements	4.05	4.05
	4.05	4.05
Capital Redemption Reserve		
Balance as per last financial statements	0.81	-
Addition on account of buy back of equity shares	-	0.81
	0.81	0.81
Securities Premium		
Balance as per last financial statements	194.01	194.01
Closing Balance	194.01	194.01
General Reserve		
Balance as per last financial statements	20.97	171.83
Less: Utilization for Buy Back of Shares	-	150.86
Closing Balance	20.97	20.97
Retained Earnings		
Balance as per last financial statements	2,847.24	2,236.40
Add : Profit for the year	465.88	638.41
Remeasurements of the net defined benefit plans	0.60	(0.53)
Equity Dividend	(52.86)	(27.04)
Closing Balance	3,260.86	2,847.24
Reserves representing unrealized gains/losses		
Equity instruments through Other Comprehensive Income	0.40	0.40
Closing Balance	0.40	0.40
	3,481.10	3,067.48

- (i) During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.
- (ii) Capital Redemption Reserve is created on buy back of equity shares, it is to be utilized in accordance with the provision of Companies Act, 2013.
- (iii) Securities premium is used to record the premium received on issue of shares. It is to be utilized in accordance with the provisions of Companies Act, 2013.

Notes to the Standalone Financial Statements

as on 31st March 2024

- (iv) General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.
- (v) The cumulative gains and losses arising from fair value changes of equity investments measured at fair value through other comprehensive income are recognized in fair value of financial assets. The balance of the reserve represents such changes recognized net off amounts re-classified to retained earnings on disposal of such investments.

Note 14

(₹ in Crore)

NON CURRENT LIABILITIES - FINANCIAL LIABILITIES - BORROWINGS	Non-Current portion		Current Maturities	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Term loans (Secured)				
from banks				
Indian Rupee Loan	34.79	82.73	47.94	51.55
	34.79	82.73	47.94	51.55

1) Nature of security :

- a) Term Loans from Bank are secured by first pari-passu charge by way of hypothecation of entire movable assets of the Company situated at Industrial Growth Centre, Siltara, Raipur subject to prior charge on current assets in favour of Working Capital Bankers and by way of joint equitable mortgage of immovable properties of the Company situated at Industrial Growth Centre, Siltara, Raipur and Urkura, Raipur.
- b) Besides this, the Term Loan from Banks are also secured by unconditional and irrevocable personal guarantees of Mr. K. K. Sarada, Mr. Manish Sarada & Mr. Pankaj Sarada.

2) Repayment terms :

- a) Rupee term loan of ₹ 91.35 crore (Present Outstanding ₹ 48.67 crore) from HDFC Bank is payable in 20 quarterly installments starting from June 2021.
- b) Rupee term loan of ₹ 50 crore (Present Outstanding ₹ 23.00 crore) from Axis Bank Ltd. is payable in 16 equal quarterly installments starting from June 2022.
- c) Rupee term loan of ₹ 48.13 crore (Present Outstanding ₹ 11.25 crore) from HDFC Bank is payable in 20 equal quarterly installments starting from March 2020.

Note 15

NON CURRENT LIABILITIES - FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES	As at 31st March 2024	As at 31st March 2023
Security Deposit Received		
Deposits from Vendors	3.04	3.11
	3.04	3.11

Notes to the Standalone Financial Statements

as on 31st March 2024

Note 16

(₹ in Crore)

PROVISIONS	As at 31st March 2024	As at 31st March 2023
(a) Provision for employee benefits		
Provision for Leave encashment	3.78	3.40
(b) Others		
Mines restoration expenses	27.67	27.54
	31.45	30.94

Note 17

DEFERRED TAX LIABILITIES (NET)	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liabilities		
Deferred tax liability / (assets) at the beginning of the year	39.58	47.60
Deferred tax liability / (assets) during the year on account of timing difference	(0.12)	(8.02)
DEFERRED TAX LIABILITIES / ASSETS at the end of the year	39.46	39.58

Note 18

CURRENT LIABILITIES - FINANCIAL LIABILITIES - BORROWINGS	As at 31st March 2024	As at 31st March 2023
Secured		
From Banks (Secured)		
Working capital loans (repayable on demand)	1.42	4.67
Current maturities of long term debt (Refer note no.14)	47.94	51.55
Other loans and advances		
Loans from Related Parties (repayable on demand) (Unsecured)	49.87	-
	99.23	56.22

Security

Working Capital loans from banks are secured by first pari-passu charge on stocks & book debts and second pari-passu charge on all present and future movable Plant & Machinery and second pari-passu charge by way of joint equitable mortgage of immovable properties located at Industrial Growth Centre, Siltara, Raipur and at Urkura Raipur. These facilities are also secured by irrevocable personal guarantees of Mr. K.K.Sarda, Mr. Pankaj Sarda and Mr. Manish Sarda.

Other Note:

The Company has working capital facilities from banks on the basis of security of current assets and submitting quarterly financial follow up report as per the terms and conditions of sanction letters. There are no material discrepancies in the amount of current assets between financial follow up reports and books of accounts.

Notes to the Standalone Financial Statements

as on 31st March 2024

None of the banks, financial institutions or other lenders from whom the Company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.

Note 19

(₹ in Crore)

CURRENT LIABILITIES - FINANCIAL LIABILITIES - TRADE PAYABLE	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of Micro Enterprises & Small Enterprises	6.15	3.49
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	62.11	51.57
	68.26	55.06

Trade Payable Ageing schedule for the year ended -

As at 31st March 2024	Outstanding for following periods total from transaction date					
	Not due / Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	6.15	6.15	-	-	-	6.15
Others	47.27	13.30	0.35	0.81	0.38	62.11
Disputed due - MSME	-	-	-	-	-	-
Disputed due - Others	-	-	-	-	-	-
	53.42	13.30	0.35	0.81	0.38	68.26

As at 31st March 2023	Outstanding for following periods total from transaction date					
	Not due / Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	3.49	-	-	-	-	3.49
Others	46.23	2.42	2.10	0.22	0.59	51.57
Disputed due - MSME	-	-	-	-	-	-
Disputed due - Others	-	-	-	-	-	-
	49.72	2.42	2.10	0.22	0.59	55.06

Note 20

CURRENT LIABILITIES - FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES	As at 31st March 2024	As at 31st March 2023
(a) Deposits from customers	0.56	9.59
(b) Salary & reimbursements	23.15	21.85
(c) Bill discounting	-	26.24
(d) Provision for expenses	20.76	23.78
(e) Unpaid Dividends	0.93	0.81
	45.40	82.27

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 21

OTHER CURRENT LIABILITIES	As at 31st March 2024	As at 31st March 2023
(a) Others -		
Indirect taxes payable	13.92	14.41
(b) Deposit from Employees	2.20	1.39
(c) Advances from customers	21.29	29.20
(d) TDS payables	1.71	1.97
	39.12	46.97

Note 22

PROVISIONS	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
(a) Provision for gratuity	0.36	0.64
(b) Provision for Leave encashment	0.32	0.36
	0.68	1.00

Note 23

(₹ in Crore)

REVENUE FROM OPERATIONS	2023-24	2022-23
Sale of products		
Sponge Iron	277.53	253.16
Ferro Alloys	620.04	707.99
Steel Billets	132.07	156.51
Wire Rod / HB Wire	888.34	992.03
Pellet	479.41	481.09
Others	321.83	418.51
Other operating revenues	14.23	11.16
	2,733.45	3,020.45

23 (i) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below

SEGMENT REVENUE	2023-24	2022-23
Steel	2,180.42	2,386.19
Ferro Alloys	647.73	745.74
Power	273.06	255.88
Unallocated	28.35	23.17
	3,129.56	3,410.98
Less: Inter segment revenue	396.11	390.53
	2,733.45	3,020.45

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	2023-24	2022-23
Domestic	2,608.21	2,810.15
Exports	125.24	210.30
	2,733.45	3,020.45

TIMING OF REVENUE RECOGNITION	2023-24	2022-23
At a point in time	2,733.45	3,020.45
	2,733.45	3,020.45

	2023-24	2022-23
Assets and liabilities related to contracts with customers-		
Contract balances		
Trade Receivables (refer note 8)	41.48	90.44
Contract Liabilities		
Advance from customers (refer note no 21)	21.29	29.20
	62.77	119.64

Trade receivables are non-interest bearing and are generally on terms of advance or credit period ranges of 1 to 90 days. In March 2024, there was a additional provision of ₹ (0.08) crore (March 2023: ₹ 0.10 Crore) on account of of the provision for expected credit losses on trade receivables.

Contract liabilities include short-term advances received from customers to deliver manufacturing goods.

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year ₹ 25.80 Crore (previous year ₹ 14.28 Crore) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Note 24

OTHER INCOME	2023-24	2022-23
Interest Income	97.72	66.59
Dividend Income		
From Subsidiaries	0.00	21.02
From Others	5.45	0.72
Net gain on sale of investments	13.85	2.35
Corporate guarantee commission	0.49	0.39
Fair value gain on Financial Instruments at FVTPL	51.31	(25.49)
Share of Profit in Partnership Firm	14.73	17.82
Other non-operating income (net of expenses directly attributable to such income)	1.50	3.84
	185.05	87.24

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 25

COST OF RAW MATERIAL CONSUME	2023-24	2022-23
Iron Ore	491.87	453.56
Mn Ore	232.67	265.76
Coal	760.51	778.88
Scrap	174.27	210.21
Other Material	11.48	11.42
	1,670.80	1,719.83

Note 26

CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE	2023-24	2022-23
Inventories at the end of the year		
Finished Goods / Semi-finished goods	139.72	215.78
Trading Goods	0.02	0.18
	139.74	215.96
Inventories at the beginning of the year		
Finished Goods / Semi-finished goods	215.78	194.53
Trading Goods	0.18	0.52
	215.96	195.05
(Increase)/Decrease in Inventories	76.22	(20.91)

Note 27

EMPLOYEE BENEFITS EXPENSE	2023-24	2022-23
Salaries, incentives & Managerial Remuneration	96.70	86.25
Contributions to -		
Provident fund	5.15	4.89
Superannuation scheme	0.35	0.33
Gratuity fund	1.57	1.76
Staff welfare expenses	1.94	1.46
	105.71	94.69

28 a The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below

	Gratuity		Leave Encashment	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Actuarial study analysis				
Principal actuarial assumptions				
Discount rate	7.10%	7.40%	7.10%	7.40%

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	Gratuity		Leave Encashment	
Range of compensation increase	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	7.10%	7.40%	N/A	N/A
Plan duration	60	60	60	60
Components of statement of income statement charge				
Current service cost	1.53	1.42	0.51	0.47
Interest cost	0.02	0.04	0.28	0.22
Total charged to statement of profit or loss	1.55	1.46	0.79	0.69
Movements in net liability/(asset)				
Net liability at the beginning of the year	0.64	1.33	3.76	3.12
Employer contributions	(1.52)	(2.63)	(0.09)	(0.13)
Total expense recognized in the consolidated statement of profit or loss	1.55	1.46	0.79	0.69
Total amount recognized in OCI	(0.31)	(0.48)	(0.35)	(0.08)
Net liability at the end of the year	0.36	0.64	4.11	3.76
Reconciliation of benefit obligations				
Obligation at start of the year	19.31	17.17	3.76	3.12
Current service cost	1.53	1.42	0.51	0.47
Interest cost	1.43	1.22	0.28	0.22
Benefits paid directly by the Company	(0.71)	(1.00)	(0.09)	(0.13)
Obligation of past service cost	(0.38)	0.49	(0.35)	0.08
Actuarial loss				
Defined benefits obligations at the end of the year	21.18	19.30	4.11	3.76
Re-measurements of defined benefit plans				
Actuarial gain/(loss) due to changes in financial assumptions	0.58	(0.50)	0.11	(0.11)
Actuarial gain/(loss) on account of experience adjustments	(0.95)	0.98	(0.46)	0.18
Actuarial (loss)/gain on plan assets	0.06	(0.01)	0.00	0.00
Total actuarial gain/(loss) recognised in OCI	(0.31)	0.47	(0.35)	0.07
Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	18.66	15.84	-	-
Interest on plan assets	1.41	1.18	-	-
Contributions made	1.52	2.63	0.09	0.13
Benefits paid	(0.71)	(1.00)	(0.09)	(0.13)
Actuarial (loss)/gain on plan assets	(0.06)	0.01	-	-
Fair value of plan assets at the end of the year	20.82	18.66	-	-

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

b) Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Discount rate				
+ 1% discount rate	19.49	17.75	3.74	3.44
- 1% discount rate	23.24	21.20	4.52	8.81
Salary increase				
+ 1% salary growth	23.09	21.16	4.51	4.15
- 1% salary growth	19.57	17.74	3.75	3.43

c) Experience adjustments

	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Defined benefit obligation	21.18	19.30	4.11	3.76
Fair value of plan assets	20.82	18.66	-	-
(Surplus)/deficit in plan assets	0.36	0.64	4.11	3.76
Experience adjustment on plan liabilities	(0.95)	0.98	(0.47)	0.18
Actual return on plan assets less interest on plan assets	(0.06)	0.01	0.00	-

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Note 29

FINANCE COSTS	2023-24	2022-23
Interest expense	10.02	12.34
Other borrowing costs	8.22	3.61
	18.24	15.95

Note 30

OTHER EXPENSES	2023-24	2022-23
Stores & Spares Consumption	87.23	85.00
Power	53.37	45.76
Manufacturing Expenses-		
Plant process & services	24.04	26.34
Material handling Expenses	40.07	39.47
Other Manufacturing Expenses	0.15	0.14
Repairs & Maintenance		
Building	2.69	3.19

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

OTHER EXPENSES	2023-24	2022-23
Plant & Machinery	11.81	10.80
Others	7.80	6.88
Rent	1.68	1.60
Rates & Taxes	19.19	17.46
Insurance Charges	4.56	4.30
Miscellaneous Expenses		
Travelling & Conveyance expenses	6.43	5.46
Legal & Professional Expenses	9.11	7.88
Corporate Social Responsibility	13.74	9.49
Administrative & Other Expenses	11.67	5.84
Cost of Sales of Real Estate Project	5.35	3.27
Selling Expenses		
Carriage Outward	18.49	20.39
Selling Commission & Brokerage	5.91	5.84
Other Selling Expenses	0.90	1.30
Exchange differences (net)	(3.50)	(5.12)
Payment to Auditors	0.30	0.30
	320.99	295.59

Note 31

PAYMENTS TO THE AUDITOR	2023-24	2022-23
As auditor:		
Audit fee	0.26	0.26
Tax audit fee	0.04	0.04
	0.30	0.30

Note 32

EARNINGS PER SHARE (EPS)	2023-24	2022-23
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (₹ in Crore.)	465.88	638.41
Nominal Value of Equity Shares (₹)	1	1
Weighted average number of Equity Shares used as denominator for calculating basic EPS (in crore)	35.24	35.43
Weighted average number of Equity Shares used as denominator for calculating Diluted EPS (in crore)	35.24	35.43
Basic (₹)	13.22	18.02
Diluted (₹)	13.22	18.02

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 33

OTHER COMPREHENSIVE INCOME	As at 31st March 2024	As at 31st March 2023
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	0.67	(0.56)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.09)	0.02
	0.58	(0.54)

34. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

As part of secondary reporting, the Company has no geographical segment by location.

A) Business Segment Primary

	2023-24				2022-23			
	Steel	Ferro	Power	Total	Steel	Ferro	Power	Total
Revenue								
Sales & other income	2,077.52	624.50	3.08	2,705.10	2,269.84	724.63	2.81	2,997.28
Inter segment sales	102.90	23.23	269.98	396.11	116.35	21.11	253.07	390.53
Others Unallocated				28.35				23.17
Less: Inter segment sales				396.11				390.53
Total Revenue	2,180.42	647.73	273.06	2,733.45	2,386.19	745.74	255.88	3,020.45
Result								
Segment Result	440.84	94.57	(1.28)	534.13	671.06	167.59	(5.14)	833.51
Unallocated Expenses net off unallocated income				97.42				24.09
Operating Profit				631.55				857.60
Interest & Forex Fluctuation Loss (Net)				(14.74)				(10.83)
Profit Before Tax & Extraordinary Item				616.81				846.77
Provision for taxation								
For Current Year				151.14				216.36
For Deferred Taxation				(0.21)				(8.00)
Profit After Taxation				465.88				638.41
Other Information								
Segment Assets	789.04	206.53	106.23	1,101.80	1,057.62	269.68	98.55	1,425.85
Unallocated Assets				2788.90				2078.43
Total Assets				3,890.70				3,504.28
Segment Liabilities	164.09	25.58	39.59	229.26	201.98	29.62	42.15	273.75
Unallocated Liabilities				145.10				127.80
Total Liabilities				374.36				401.55
Capital Expenditure	40.91	15.08	17.53	73.52	11.39	5.34	7.75	24.48
Depreciation / Amortization	39.06	9.83	9.59	58.48	37.91	12.38	9.97	60.26
Unallocated Depreciation				6.00				5.63

Notes to the Standalone Financial Statements

as on 31st March 2024

Notes:

- (1) There is no customer having 10% of total revenue.
- (2) No operating segments have been aggregated to from the above reportable operating segments.

35. RELATED PARTY DISCLOSURE

- (a) Names of related parties and description of relationship

S.No.	Relationship	Name of Related Parties
1	Subsidiaries	Sarda Energy & Minerals Hongkong Limited, Hongkong Sarda Global Ventures Pte Limited, Singapore Sarda Global Trading DMCC, Dubai Sarda Metals & Alloys Limited Sarda Energy Limited Kalyani Coal Mining Private Limited Madhya Bharat Power Corporation Limited Parvatiya Power Limited Natural Resources Energy Private Limited
2	Controlled Entities	Chhattisgarh Hydro Power LLP Sarda Hydro Power LLP Shri Ram Electricity LLP
3	Joint Ventures	Raipur Infrastructure Company Limited Madanpur South Coal Company Limited
4	Related Enterprises where interest of the company/directors exists	Chhattisgarh Investments Limited Geschaft Formulae India Private Limited Rishabh Mining and Transport Company Private Limited Sarda Dairy and Food Products Limited EarthStahl & Alloys Limited Chhattisgarh Metaliks and Alloys Private Limited Raipur Mega Food Park Private Limited
5	Director / Key Management Personnel (KMP)	Mr. Kamal Kishore Sarda Mr. Pankaj Sarda Mr. Padam Kumar Jain (WTD & CFO) Mr. Amal Kumar Debnath (w.e.f. 1st August 2023) Mr. Asit Kumar Basu Mr. Binoy Sandip Parikh (w.e.f. 1st August 2023) Mr. C.K. Lakshminarayanan (Up to 31st March 2023) Mr. Jitender Balakrishnan Mr. Rajeev Sharma (w.e.f. 3rd February 2024) Mr. Rakesh Mehra Ms. Tripti Sinha Mr. Upendra Prasad Singh (w.e.f. 20th March 2024) Mr. Manish Sethi (CS)
6	Relatives of Directors /Relatives of KMPs / Promoter Group	Mr. Anant Sarda Mrs. Vipula Sarda Mr. Raghav Sarda Mr. Ghanshyam Sarda

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

b) Material Transactions with Related Parties

	Subsidiaries	Controlled Entities	Joint Ventures	Related Enterprises where interest of the company /directors exists	Director / KMP	Relatives of Directors / Relatives of KMP's / Promoter Group
Loans/Advances Given	313.11	83.70	-	1,746.33	-	-
	(406.21)	(89.90)	-	(337.12)	-	-
Loans/Advances Received Back	555.75	37.50	-	1,639.67	-	-
	(371.00)	(46.65)	-	(371.90)	-	-
Loans/Advances Taken	49.31	-	-	-	-	-
	-	(46.55)	-	-	-	-
Loans/Advances Repaid	0.29	-	-	-	-	-
	-	(3.21)	-	-	-	-
Material Sold	101.06	0.33	-	0.26	-	-
	(74.32)	-	-	(2.85)	-	-
Materials Purchased	36.49	-	-	0.41	-	-
	(89.98)	-	-	(0.31)	-	-
Interest Received	29.01	7.25	-	23.85	-	-
	(25.03)	(1.14)	-	(18.56)	-	-
Interest Paid	0.96	-	-	-	-	-
	(0.01)	-	-	-	-	-
Commission Paid	-	-	-	-	11.58	-
	-	-	-	-	(12.62)	-
Dividend Income	-	-	4.58	-	-	-
	(21.02)	-	-	-	-	-
Remuneration	-	-	-	-	4.83	0.54
	-	-	-	-	(4.27)	(0.29)
Rent Paid	-	-	-	1.65	-	0.14
	-	-	-	(1.65)	-	(0.02)
Services Offered	-	-	0.03	-	-	-
	-	-	(0.04)	-	-	-
Services Received	-	-	-	1.75	-	-
	-	-	-	(2.05)	-	-
Land Purchase	-	-	-	14.02	-	-
	-	-	-	-	-	-
Corporate Guarantee Commission	0.57	-	-	-	-	-
	(0.46)	-	-	-	-	-
Investments made/Share application money	24.80	55.90	-	-	-	-
	(0.44)	(0.03)	-	-	-	-
Share of profit	-	14.73	-	-	-	-
	-	(17.82)	-	-	-	-
Investments Reduced	-	-	-	-	-	-
	(0.03)	-	-	-	-	-

Note: Figures in bracket represents previous year's figures.

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Outstanding as at 31st March 2024

	Subsidiaries	Controlled Entities	Joint Ventures	Related Enterprises where interest of the company /directors exists	Director / KMP	Relatives of Directors / Relatives of KMP's / Promoter Group
Receivable	100.81 (323.55)	94.05 (41.33)		373.54 (256.32)		15.02
Corporate Guarantee Outstanding	25.54 (25.21)	- -	- -	- -	- -	- -
Investments	812.09 (786.78)	169.23 (98.60)	3.93 (3.93)	- -	- -	- -
Payables	50.14 (0.06)	- -	- -	0.18 (0.31)	11.59 (12.75)	0.03 (0.08)

Out of the above items, transactions and outstanding in excess of 10% of the total related party transactions are as under:

	2023-24	2022-23
Loans/Advances given		
Chhatisgarh Investments Limited	1,746.33	337.12
Madhya Bharat Power Corporation Limited	231.70	301.03
Loans/Advances Received Back		
Chhatisgarh Investments Limited	1,639.67	371.90
Madhya Bharat Power Corporation Limited	458.27	304.93
Loans/Advances Taken		
Kalyani Coal Mining Private Limited	24.31	-
Madhya Bharat Power Corporation Limited	25.00	-
Loans/Advances Repaid		
Kalyani Coal Mining Private Limited	0.29	-
Materials Transferred/Sold		
Sarda Metals & Alloys Limited	91.82	64.77
Materials Received/Purchased		
Sarda Metals & Alloys Limited	34.53	80.23
Interest Received		
Chhatisgarh Investments Limited	23.85	17.19
Madhya Bharat Power Corporation Limited	19.23	19.95
Chhattisgarh Hydro Power LLP	7.22	1.13
Interest Paid		
Kalyani Coal Mining Private Limited	0.96	-
Commission paid		
Mr. Kamal Kishore Sarda	5.00	6.25
Mr. Pankaj Sarda	5.00	5.00
Remuneration Paid		
Mr. Kamal Kishore Sarda	2.33	2.19
Mr. Pankaj Sarda	1.02	0.94

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	2023-24	2022-23
Mr. Padam Kumar Jain	0.89	0.82
Mr. Anant Sarda	0.54	0.29
Dividend Income		
Madanpur South Coal Company Limited	4.58	-
Rent Paid		
Chhatisgarh Investments Limited	0.70	0.70
Rishabh Mining and Transport Company Private Limited	0.95	0.95
Services Offered		
Raipur Infrastructure Company Limited	0.03	0.04
Services Received		
Geschaft Formulae India Private Limited	1.75	2.05
Corporate Guarantee Commission		
Sarda Metals and Alloys Limited	0.53	0.46
Investment Made including Share Application		
Kalyani Coal Mining Private Limited	24.80	-
Chhattisgarh Hydro Power LLP	55.87	-
Share of Profit		
Chhattisgarh Hydro Power LLP	14.73	17.82

Outstanding as on 31st March 2024

Particulars	31st March 2024	31st March 2023
Investments		
Sarda Metals & Alloys Limited	214.00	213.48
Madhya Bharat Power Corporation Limited	460.09	460.09
Chhattisgarh Hydro Power LLP	165.32	94.72
Receivables		
Chhatisgarh Investments Limited	367.91	238.59
Chhattisgarh Hydro Power LLP	93.60	41.17
Corporate Guarantee Outstanding		
Sarda Metals & Alloys Limited	17.29	51.64
Kalyani Coal Mining Private Limited	8.25	-
Payables		
Kalyani Coal Mining Private Limited	24.88	-
Madhya Bharat Power Corporation Limited	25.01	-

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and on arm's length basis. For the year ended 31st March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2023: ₹ NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

36. COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account for the Group, net of advance given and not provided for as at 31st March 2024 is ₹ 145.15 Crore (31st March 2023: ₹ 14.05 Crore).

Notes to the Standalone Financial Statements

as on 31st March 2024

37. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the company during the year is ₹ 13.74 Crore

b) Amount spent during the year on: (₹ in Crore)

Sl. No.	Particulars		As at 31st March 2024	As at 31st March 2023
(a)	Gross amount required to be spent by the Group during the year		13.74	9.47
(b)	Amount approved by the Board to be spent during the year		13.79	9.49
(c)	Amount spent during the year ending on 31st March 2024:	In Cash	Yet to be paid	Total
	(i) Construction / acquisition of any asset	-	-	-
	(ii) On purposes other than (i) above	13.79	-	13.79
(d)	Amount spent during the year ending on 31st March 2023:			
	(i) Construction / acquisition of any asset	-	-	-
	(ii) On purposes other than (i) above	9.49	-	9.49

38. DUE TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT 2006

The company has certain dues to suppliers registered under Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSME Act are as follows:

	As at 31st March 2024	As at 31st March 2023
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
- Principal amount due to micro and small enterprise	6.15	3.49
- Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.		
- Payment made beyond the Appointed date	-	-
- Interest paid beyond the Appointed date	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Note 39

CONTINGENT LIABILITIES	As at 31st March 2024	As at 31st March 2023
Guarantees given by Company's bankers	545.14	350.27
Bills discounted with the Company's bankers under Letters of Credit	-	26.21
Corporate Guarantee given to HDFC Bank Limited for disbursement of term loan to Sarda Metals & Alloys Limited (SMAL), wholly owned subsidiary of the Company	17.29	25.21
Counter Indemnity given to YES Bank Limited for issuing bank guarantee to SECL on behalf of Kalyani Coal Mining Private Limited. wholly owned subsidiary of the Company	8.25	-
Claims against the Company not acknowledged as debt	23.93	14.25
Excise Duty, GST & Service Tax Demand	4.66	18.55
VAT, CST & Entry Tax	8.49	8.49
Income Tax	18.35	8.27
Energy Development Cess	88.70	80.63
Relinquishment Charges of 156 MW LTA for Kolam Power Plant	97.20	97.20

i) Excise Duty & Service Tax

- a Excise duty demand of ₹ 0.21 Crore (P.Y. ₹ 0.21 Crore) raised on account of Cenvat credit availed, which the Company has disputed in High Court, Jabalpur (MP).
- b Excise Duty demand of ₹ 0.30 Crore (P.Y. ₹ 0.68 Crore) raised on account of Cenvat credit availed has been disputed before Commissioner (Appeals).
- c GST demand of ₹ 3.48 Crore (P.Y. ₹ NIL) raised on account of inadmissible credit carried forward in Tran-1 has been disputed before Commissioner (Appeals).
- d Service Tax demand of ₹ NIL (P.Y. ₹ 16.17 Crore) raised on account of Service Tax on amount received in an international arbitration case settled out of court, which the Company has disputed and has filed appeal before Central Excise & Service Tax Appellate Tribunal (CESTAT).
- e Service Tax demand of ₹ 0.59 Crore (P.Y. ₹ 1.49 Crore) on various cases raised by the department, which the Company has disputed and has filed appeal before Central Excise & Service Tax Appellate Tribunal (CESTAT).

ii) Value Added Tax/Central Sales Tax/Entry Tax

Value Added Tax/Central Sales Tax/ Entry Tax demands of ₹ 8.49 Crore (P.Y. ₹ 8.49 Crore) are pending in appeal against assessment of various years.

Notes to the Standalone Financial Statements

as on 31st March 2024

iii) Income Tax

₹ 10.42 Crore (P.Y. ₹ 2.68 Crore) for the Assessment Year 2017-18 on account of addition made by Assessing Officer u/s 147 read with section 144B of the Income tax Act and ₹ 1.16 Crore (P.Y. ₹ 4.71 Crore) for the Assessment Year 2018-19 on account addition made by Assessing Officer u/s 154 r.w.s 143(3) of the Income tax Act. ₹ 0.71 Crore (P.Y. ₹ 0.88 Crore) for the Assessment Year 2020-21 on account of addition made by Assessing Officer u/s 143(3) of the Income tax Act. ₹ 6.06 Crore (P.Y. ₹ NIL) for the Assessment Year 2022-23 on account of computation error made by the Assessing Officer u/s 143(3) of the Income tax Act. Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. The Company expects to sustain its position on ultimate resolution of the said appeals

iv) Energy Development Cess of ₹ 88.70 Crore (P.Y. ₹ 80.63 Crore) net of amount deposited ₹ 2.94 Crore (P.Y. ₹ 2.94 Crore) demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh for the period May 2006 to December 2020. The Honorable High Court of Chhattisgarh has held the levy of Energy Development Cess as unconstitutional vide its Order dated 20th June 2008. The State Govt. has filed a Special Leave Petition before the Honorable Supreme Court.

v) Relinquishment charges of 156 MW LTA for Kolam Power Plant, Relinquishment Charges in accordance with the directions under petition no 92/MP/2015 vide order dated 08-03-2019 is ₹ 97.20 Crore. Petition filled before the Hon'ble Tribunal for Electricity at New Delhi "against the Impugned Order dated 08.03.2019 read with the corrigendum dated 10.05.2019 passed by the Central Electricity Regulatory Commission in the Petition No. 92/MP/2015 . Matter is pending before the Hon'ble Tribunal for Electricity at New Delhi.

40 CONTINGENT ASSET

- i) The Company has various pending insurance claims in lieu of machine break down adding up to ₹ 0.50 Crore (PY ₹ NIL) as on 31st March 2024.
- ii) The Company has claimed refund of ₹ 6.30 Crore (PY ₹ NIL) Vikas Upkar and Paryavaran Upkar in respect of its coal mines at Gare Palma IV/7.
- iii) Claims by the Company not acknowledged as assets - ₹ 0.91 Crore (PY ₹ NIL).

41 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market Risk-
 - Interest rate risk
 - Currency risk
 - Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Notes to the Standalone Financial Statements

as on 31st March 2024

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognize as income in the statement of profit and loss. The Company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Trade and other receivables	41.48	90.44
Loans and advances	676.30	442.35
Cash and cash equivalents	76.11	2.32

Impairment losses

	As at 31st March 2024	As at 31st March 2023
Trade and other receivables (measured under life time excepted credit loss model)		
Opening balance	3.02	2.92
Provided during the year	(0.08)	0.10
Closing balance	2.94	3.02

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Ageing analysis		
Upto 3 months	40.92	89.47
3-6 months	0.49	0.26
More than 6 months	3.01	3.73
	44.42	93.46

No significant changes in estimation techniques or assumptions were made during the reporting period

Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

The Company has access to following undrawn borrowing facilities and liquid investments at the end of the reporting period:

	As at 31st March 2024	As at 31st March 2023
Cash Credit facility	191.42	187.67
Current investments	413.87	210.57

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31st March 2024	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	99.22	34.79	-	134.01
Trade payables	68.26	-	-	68.26
Security deposits	0.56	3.05	-	3.61
Other financial liabilities	44.84	-	-	44.84
	212.88	37.84	-	250.72

As at 31st March 2023	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	56.22	82.73	-	138.95
Trade payables	55.06	-	-	55.06
Security deposits	9.59	3.11	-	12.70
Other financial liabilities	72.69	-	-	72.69
	193.56	85.84	-	279.40

Notes to the Standalone Financial Statements

as on 31st March 2024

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

MARKET RISK

a) Interest rate risk exposure

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Variable rate borrowings	84.14	138.94
Fixed rate borrowings	49.87	-

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	As at 31st March 2024	As at 31st March 2023
Interest rates - increase by 70 basis points	(0.43)	(0.80)
Interest rates - decrease by 70 basis points	0.43	0.80

CURRENCY RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

(Currency in crore)

	Currency	2023-2024	2022-2023
Trade Payables	USD	0.23	0.06
Trade Receivables	USD	(0.81)	(0.30)

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

	Impact on profit after tax	
	As at 31st March 2024	As at 31st March 2023
Foreign exchange rates - increase by 1%	0.48	0.20
Foreign exchange rates - decrease by 1%	(0.48)	(0.20)

Notes to the Standalone Financial Statements

as on 31st March 2024

PRICE RISK

The entity is exposed to equity price risk, which arised out from FVTPL quoted equity shares & mutual funds and FVTOCI unquoted equity shares. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

Sensitivity Analysis for Price Risk

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments and mutual funds classified as at FVTPL, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of ₹ 8.28 Crore (2022-23: ₹ 4.22 Crore); an equal change in the opposite direction would have decreased profit and loss. For equity investments classified as at FVTOCI, the impact of a 2% in the index at the reporting date on profit & loss would have been an increase of ₹ 0.029 Crore (2022-23: ₹ 0.029 Crore); an equal change in the opposite direction would have decreased profit and loss.

42 CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities and secured debentures;
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions;
- safeguard its ability to continue as a going concern; and
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity (₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Total liabilities	134.02	138.95
Less : Cash and cash equivalent	76.11	2.32
Net debt	57.91	136.63
Total equity	3,516.34	3,102.71
Net debt to equity ratio	0.02	0.04

The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

Notes to the Standalone Financial Statements

as on 31st March 2024

43. FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

(₹ in Crore)

31st March, 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost*	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Bank, cash and cash equivalents	-	-	623.00	623.00				
Non-current investments								
Unquoted Equity Investments		1.45	985.24	986.69		1.45		1.45
Quoted Mutual Funds	0.35			0.35	0.35			0.35
Current investments								
Quoted Investments	413.87			413.87	413.87			413.87
Financial Asset: Loans & others	-		669.69	669.69				-
Trade and other receivables	-		41.48	41.48				-
	414.22	1.45	2,319.41	2,735.08	414.22	1.45	-	415.67
Financial liabilities								
Long term borrowings			34.79	34.79				-
Short term borrowings			99.23	99.23				-
Trade and other payables			68.26	68.26				-
Other financial liabilities	-		48.44	48.44	-			-
	-	-	250.72	250.72	-	-	-	-

31st March, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost*	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Bank, cash and cash equivalents	-	-	240.76	240.76				-
Non-current investments								
Unquoted Equity Investments	-	1.45	889.31	890.76		1.45		1.45
Quoted Mutual Funds	0.25		-	0.25	0.25			0.25
Current investments								
Quoted Investments	210.57	-	-	210.57	210.57			210.57
Financial Asset: Loans & others	-		661.70	661.70	-			-
Trade and other receivables			90.44	90.44				-
	210.82	1.45	1,882.21	2,094.48	210.82	1.45	-	212.27
Financial liabilities								
Long term borrowings			82.73	82.73				-
Short term borrowings			56.22	56.22				-
Trade and other payables			55.06	55.06				-
Other financial liabilities	-		85.38	85.38	-			-
	-	-	279.39	279.39	-	-	-	-

Notes to the Standalone Financial Statements

as on 31st March 2024

* The carrying value and the fair value approximates.

B. Measurement of fair values

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Valuation techniques

The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing from banks and other financial institutions and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The fair values of the quoted instruments and mutual funds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.
- 4) The fair values of the unquoted equity shares designated at FVTOCI has been estimated by using the most recent purchase price of such shares (level 2)

44. INCOME TAX EXPENSE

a) Current tax expense

i) Income tax recognized in profit or loss

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Current year	151.83	216.49
Adjustment for prior periods	(0.69)	(0.13)
Deferred tax expense		
Origination and reversal of temporary differences	(0.21)	(8.00)
Total income tax expense	150.93	208.36

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

ii) Income tax recognized in OCI

	As at 31st March 2024	As at 31st March 2023
Remeasurements of defined benefit plans and fair valuation of Equity Instruments	0.09	(0.02)
Total income tax expense relating to OCI items	0.09	(0.02)

b) Reconciliation of tax expense and accounting profit

	As at 31st March 2024	As at 31st March 2023
Accounting profit before tax from continuing operations	616.81	846.77
Accounting profit before tax from discontinued operations		
Accounting profit before tax	616.81	846.77
Expected Tax Rate	25.17%	25.17%
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	155.24	213.11
Adjustments in respect of current income tax of previous years	(0.69)	(0.13)
Exempted Income not considered for tax purpose	(3.71)	(4.48)
Expense Allowable for tax purpose	(55.73)	(32.22)
Expense not allowed for tax purpose	22.65	27.22
Deduction under Chapter VIA	(1.37)	(5.47)
Income not considered for tax purpose other than PGBP	29.59	18.05
Short Term Capital Loss Claimed	(0.18)	-
Other temporary differences	(0.21)	(8.00)
Effective income tax rate	23.60%	24.57%
Tax Differences due to interest	5.34	0.29
Income tax reported before Adjustment	145.59	208.07
Income tax reported in the statement of profit and loss	150.93	208.36
	150.93	208.36

c) Deferred tax assets and liabilities

Deferred tax relates to the following

	As at 31st March 2024	As at 31st March 2023
Accelerated depreciation for tax purposes	(4.99)	(5.26)
Expenses allowed on payment basis	0.26	(0.13)
DTA impact on indexation of land	(0.62)	(0.56)
DTA impact on net movement, Valuation & others	5.23	(2.07)
	(0.12)	(8.02)

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

d) Reconciliation of deferred tax assets/ Liabilities

	As at 31st March 2024	As at 31st March 2023
Opening balance as at 1st April	39.58	47.60
Tax income/expense during the period recognized in profit or loss	(0.12)	(8.02)
Closing balance	39.46	39.58

45. The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.
46. All the transactions are recorded in the books of accounts and there was no income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also there was no previously unrecorded income and related assets which has been recorded in the books of account during the year.
47. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
48. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, the Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
49. The Company has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
50. The Company has neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.
51. No scheme of compromise or arrangement has been proposed between the Company & its members or the Company & its creditors under section 230 of the Companies Act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the Act is not applicable.
52. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 53

DISTRIBUTION MADE AND PROPOSED	As at 31st March 2024	As at 31st March 2023
Dividends on equity shares declared and paid		
Final dividend paid during the year ended on 31st March 2024: ₹ 1.50 per share (31st March 2023: ₹ NIL per share)	52.86	-
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31st March 2024: ₹ 1.00 per share (31st March 2023: ₹ 15 per share)	35.24	52.86

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability at the year end.

Note 54

FINANCIAL RATIOS

S. No.	Ratio	2023-24	2022-23	% Variance	Reasons for Variance for more than /less than 25%
1	Current Ratio (Times) (Current Assets / Current Liabilities)	8.26	7.06	16.94%	
2	Debt - Equity Ratio (Times) (Long Term Debts + Current Maturities) / (Equity + Other Equity)	0.02	0.04	(45.64%)	Decreased on account of repayment of debts during the year coupled with increased networth on the back of improved profitability.
3	Debt -Service Coverage Ratio (Profit after Tax +Depreciation + Interest +/- Exceptional items+/- profit/(loss) on sale of fixed assets)	9.30	11.13	(16.45%)	
4	Return on Equity (Profit after Tax / Shareholder's Equity i.e. equity + other equity)	13.25%	20.58%	(35.61%)	Decreased due to decline in net profits on account of lower sales realisations and margins.
5	Inventory Turnover Ratio (Days) (Average Inventory / Sales X 365)	59.82	59.09	1.24%	
6	Trade Receivables Turnover Ratio (Days) (Average Trade Receivables / Sales X 365)	8.81	11.07	(20.46%)	
7	Trade Payables Turnover Ratio (Days) (Average Trade Payables / (Cost Material consumed+ Stores & Spares consumption X 365)	12.80	19.93	(35.77%)	Decreased due to improved payments to vendors on account of improved liquidity.
8	Net Capital Turnover Ratio (Times) [Sales / Working Capital (Current Assets - Current Liabilities)]	1.42	2.03	(30.23%)	Decreased due to decline in net profits on account of lower sales realisations and margins.
9	Net Profit Ratio (%) (Profit after Tax / Sales)	17.04%	21.14%	(19.36%)	
10	Return on Capital Employed (ROCE)	17.64%	26.65%	(33.79%)	Decreased due to decline in profits on account of lower sales realisations and margins.

Notes to the Standalone Financial Statements

as on 31st March 2024

(₹ in Crore)

S. No.	Ratio	2023-24	2022-23	% Variance	Reasons for Variance for more than /less than 25%
	[(Earning before Interest & Taxes +/- exceptional items / (Total Net worth + Long term debt + Deferred Tax Liability)]				
11	Return on Investment				
	(i) Equity	43.99%	(24.77%)	77.61%	Increased due to fair value gain on financial instruments at FVTPL.
	(ii) Bonds	7.00%	4.41%	58.73%	Increased due to gain on financial instruments on account of better market conditions.
	(iii) Mutual Funds	7.34%	4.42%	66.06%	Increased due to gain/fair value gain on financial instruments on account of better market conditions.

Note 55

DISCLOSURE PURSUANT TO REGULATION 34(3) AND PARA A OF SCHEDULE V OF SEBI (LODR), REGULATIONS, 2015

Loan and advances in the nature of loans given to subsidiaries, associates and others

Name of the entities	Amount outstanding as at 31st March, 2024	Maximum amount outstanding during the year	Investment by the loanee in the shares of the Company
	₹ in Crore	₹ in Crore	No. of shares
Loans repayment on demand			
Sarda Metals & Alloys Limited	5.19	12.00	
Parvatiya Power Limited	37.79	37.99	
Madhya Bharat Power Corporation Limited	0.00	256.94	
Sarda Energy Limited	51.37	51.37	
Natural Resources Energy Private Limited	3.57	53.12	
Chhattisgarh Hydro Power LLP	93.60	98.90	
Sarda Hydro Power LLP	0.45	0.45	
Chhattisgarh Investments Limited	366.71	380.49	13,59,74,930

The above loans were given for the business activities of the recipients and have been so utilized by them.

Disclosures of the transactions with entity belonging to the promoter group which hold(s) 10% or more shareholding in the Company

Name of the entities	Transaction Value	Transaction Nature
Chhattisgarh Investments Limited	0.70	Rent paid
Chhattisgarh Investments Limited	23.85	Interest received

Notes to the Standalone Financial Statements

as on 31st March 2024

Note 56

(Pursuant to Section 186 of the Companies Act, 2013)

Amount Outstanding as on 31st March, 2024

(₹ in Crore)

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS	Amount
Loans Given	667.62
Guarantess Given	25.54
Investments Made	987.06

Loans, Guarantees given or Investments made during FY 2023-24

Name of the Entity	Amount	Particulars of Loans, Guarantees given or Investments made	Purpose for which the Loans, Guarantees given or Investments are proposed to be utilized
Sarda Metals & Alloys Limited	5.20	Loan*	Business Purpose
Sarda Energy Limited	35.02		
Mosh Varaya Infrastructure Limited	11.65		
Parvatiya Power Limited	0.30		
Chhattisgarh Hydro Power LLP	52.43		
Chhattisgarh Investments Limited	128.12		
Sarda Hydro Power LLP	0.29		
Shiv Trading Co.	1.96		
Shabro Metallic Private Limited	5.05		
Vyas & Co.	0.87		
Leela Trading Co.	1.64		
CP & Sons	1.09		
Kamal Bidi Leaves Co.	1.64		
Dipak Raheja	7.62		
Kamal Trading Company	0.26		
MFC Transport Private Limited	7.28		
Nandishwar Trading Private Limited	5.09		
Pankaj Prasoon	7.63		
Bhilai Engineering Corporation Limited	10.12		
Spectrum Dyes and Chemicals Private Limited	15.01		
Shri Ram Electricity LLP	0.03	Investment	
Kalyani Coal Mining Private Limited	24.80		
Chhattisgarh Hydro Power LLP	70.60		

Note :- * Represents net amount of loan given and repaid during the year ended 31st March 2024

57. Previous year figures have been regrouped/rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069



Consolidated Financials

Independent Auditor's Report

To the Members of Sarda Energy & Minerals Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Sarda Energy & Minerals Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at 31st March, 2024, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Holding Company as at 31st March, 2024, of consolidated profit (including total comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 financial statements under the provisions

of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance but does not include consolidated financial statements and our auditors report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has in place an adequate internal financial controls system over financial reporting 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

Independent Auditor's Report

conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 financial statements of the current period and are therefore key audit matters in our audit 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) We did not audit the financial statements of nine subsidiaries, whose financial statements reflect total assets of ₹2949.79 crore as at 31st March, 2024, total revenues of ₹1264.00 crore, and net cash flows amounting to ₹21.08 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- (b) The consolidated financial statements also include the Group's share of net profit of ₹15.36 crore and the Group's share of total comprehensive income of ₹13.83 crore for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of two associates and one joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities and associates, is based solely on the reports of the other auditors.

Independent Auditor's Report

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (j) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2024 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 over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
- (g) with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in with accordance with the provisions of Section 197 of the Act. Further, the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
 - (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities in its consolidated financial statements.
 - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses 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 companies, associate companies and jointly controlled companies incorporated in India.
 - iv. (a) The respective Managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested

Independent Auditor's Report

(either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies 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.
- (i) As stated in Note 53 to the consolidated financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Holding Company

during the year is in accordance with Section 123 of the Act, as applicable, however in case of joint venture company viz. Madanpur South Coal Company Limited where payment of final dividend was in excess of accumulated surplus i.e. retained earnings which is not in accordance with section 123 of the Act.

- (b) As the company has not paid and declared any interim dividend during the year and upto the date of our report, therefore, this clause is not applicable.
- (c) 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 accordance with section 123 of the Act, as applicable.
- (j) Based on our examination which included test checks, and as communicated by the respective auditor of subsidiaries, associates and joint venture companies except for the instances mentioned below, the Holding Company and its subsidiary companies, associates and joint venture companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
 - a. In case of two subsidiaries incorporated in India, as communicated by the auditors of such subsidiaries, the feature of recording audit trail (edit log) facility of the accounting softwares were enabled from 3rd April 2023 and 6th April 2023.
 - b. In case of a joint venture company incorporated in India, as communicated by the auditors of such joint venture, the feature of recording audit trail (edit log) facility of the accounting software was enabled from 17th May 2023.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

Independent Auditor's Report

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

- With respect to the matters specified in paragraphs 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 reports issued by us for the Company, its subsidiaries, associates and joint venture companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company.

Sl No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective Auditors' Report	Paragraph number in the respective CARO reports
1.	Sarda Metals & Alloys Limited	U40102CT2008PLC000406	Subsidiary	02.05.2024	Para (iii)(c) & (d)
2.	Kalyani Coal Mining Private Limited	U05102CT2023PTC014552	Subsidiary	15.05.2024	Para (iii)(c) & (d))
3.	Sarda Energy limited	U40102CT2008PLC000406	Subsidiary	18.05.2024	Para (iii)(f)
4.	Madanpur South Coal Company Limited	U10300CT2006PLC020006	Joint Venture	27.04.2024	Para (i)(c), (xi)(a) & (xvi)(a)

For **O.P. Singhania & Co**
(ICAI FRN Regn. No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No.076961
Raipur, 25th May, 2024
UDIN: 24076961BKAPCH8931

Annexure A

Annexure - A to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2024, we have audited the internal financial controls over financial reporting of **Sarda Energy & Minerals Limited** (the "Holding Company") and its subsidiary companies 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 and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 consolidated 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 consolidated 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 consolidated financial statements.



Annexure A

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal

financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **O.P. Singhania & Co**
(ICAI FRN Regn. No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No.076961
Raipur, 25th May, 2024
UDIN: 24076961BKAPCH8931

Consolidated Balance Sheet

as at 31st March 2024

(₹ in Crore)

	Note	AS AT 31.03.2024	AS AT 31.03.2023
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment		2,715.40	2,758.22
(b) Capital work-in-progress		249.71	131.15
(c) Investment Property	2	38.01	46.37
(d) Goodwill on Consolidation		33.00	33.00
(e) Other Intangible Assets		66.94	69.68
(f) Intangible Assets under development		0.97	0.62
(g) Investment in associates and joint ventures	3(a)	52.93	35.89
(h) Financial Assets			
(i) Investments	3(b)	47.93	33.80
(ii) Others Financial Assets	4	46.48	39.45
(i) Other Non- current Assets	5	125.92	88.36
		3,377.29	3,236.54
(2) Current Assets			
(a) Inventories	6	528.39	726.15
(b) Financial Assets			
(i) Investments	7	557.97	352.59
(ii) Trade receivables	8	101.17	182.02
(iii) Cash & cash equivalents	9	104.05	7.86
(iv) Bank balances other than (iii) above	10	663.64	364.20
(v) Loans	11(a)	487.00	300.03
(vi) Other financial assets	11(b)	41.17	72.67
(c) Current tax assets (net)		0.58	3.52
(d) Other Current Assets	12	140.59	235.80
		2,624.56	2,244.84
TOTAL ASSETS		6,001.85	5,481.38
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13(a)	35.24	35.24
(b) Other Equity	13(b)	3,853.40	3,374.84
Equity Attributable to owners of the company		3,888.64	3,410.08
Non Controlling Interests		105.51	100.24
Total Equity		3,994.15	3,510.32
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,058.27	1,063.04
(ii) Other financial liabilities	15	21.18	14.66
(b) Provisions	16	38.70	36.38
(c) Deferred tax liabilities (Net)	17	104.80	101.94
(d) Other non current liabilities	18	4.30	4.40
		1,227.25	1,220.42
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	307.97	343.93
(ii) Trade Payables	20		
(a) Total outstanding dues of micro and small enterprises		7.64	5.12
(b) Total outstanding dues of creditors other than micro and small enterprises		164.97	129.59
(iii) Other financial liabilities	21	146.19	158.05
(b) Other current liabilities	22	138.12	107.59
(c) Provisions	23	2.13	2.32
(d) Current tax liabilities (net)		13.43	4.04
		780.45	750.64
TOTAL EQUITY AND LIABILITIES		6,001.85	5,481.38

Material Accounting Policies

1

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Consolidated Statement of Profit and Loss

for the year ended 31st March 2024

(₹ in Crore)

	Note	Year Ended 31.03.2024	Year Ended 31.03.2023
I. Revenue from operations	24	3,868.13	4,211.90
II. Other income	25	184.17	49.39
III. Total Revenue (I + II)		4,052.30	4,261.29
IV. Expenses:			
Cost of materials consumed	26	2,287.63	2,312.09
Purchases of Stock-in-Trade		58.66	189.25
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	60.79	(6.04)
Employee benefits expense	28	142.31	127.10
Finance costs	29	128.41	124.41
Depreciation and amortization expense	2	183.30	178.35
Other expenses	30	520.92	529.29
Total Expenses		3,382.02	3,454.45
V. Profit before Exceptional Items and Tax (III - IV)		670.28	806.84
VI. Exceptional items (Income) / Expense	52	2.91	-
VII. Profit Before Tax (V - VI)		667.37	806.84
VIII. Tax expense			
(1) Current tax		157.44	221.39
(2) Deferred tax		1.30	(19.59)
IX. Profit for the year before share of profit of Joint Ventures & Associates (VII - VIII)		508.63	605.04
X Add: Share of Profit of Joint Ventures & Associates		15.41	(1.06)
XI Profit for the year (IX - X)		524.04	603.98
XII Other comprehensive income/(loss) for the year, net of tax	31		
Items that will not be reclassified to profit or loss		(0.22)	(1.53)
Income tax relating to items that will not be reclassified to profit or loss		0.23	0.34
Items that will not be reclassified to profit or loss		8.42	(0.69)
Income tax relating to items that will be reclassified to profit or loss		(1.37)	0.76
XIII TOTAL COMPREHENSIVE INCOME FOR THE YEAR		531.10	602.86
XIV Net Profit /(loss) attributable to			
a/ Owner of the Company		523.00	602.11
b/ Non Controlling Interest		1.04	1.87
XV Total Comprehensive income /(loss) attributable to			
a/ Owner of the Company		525.83	601.00
b/ Non Controlling Interest		5.26	1.88
XVI Earnings per equity share:	32		
Basic		14.84	16.99
Diluted		14.84	16.99

Material Accounting Policies

1

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholtime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Consolidated Statement Of Changes In Equity

For the year ended 31st March 2024

(₹ in Crore)

a. Equity Share Capital

For the year ended 31st March 2023	Balance at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance at 31st March, 2023
	36.05	-	36.05	(0.81)	35.24
For the year ended 31st March 2024	Balance at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance at 31st March, 2024
	35.24	-	35.24	-	35.24

b. Other Equity

	Reserves and Surplus					OCI	Exchange differences on translating the financial statements of the foreign operations	Non controlling Interest	Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income			
Balance as of 1st April, 2022	4.05	194.03	-	171.83	2,587.40	(6.00)	16.37	103.79	3,071.47
Prior year errors					(30.30)			(5.49)	(35.79)
Other Comprehensive Income					(1.13)	0.02		0.01	(1.10)
On account of buy back of equity shares	-	-	0.81	(150.86)			13.55		(136.50)
Change in control								0.06	0.06
Profit for the year					602.11			1.87	603.98
Interim Dividends					(27.04)				(27.04)
Balance as of 31st March, 2023	4.05	194.03	0.81	20.97	3,131.04	(5.98)	29.92	100.24	3,475.08

	Reserves and Surplus					OCI	Exchange differences on translating the financial statements of the foreign operations	Non controlling Interest	Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income			
Balance as of 1st April, 2023	4.05	194.03	0.81	20.97	3,131.04	(5.98)	29.92	100.24	3,475.08
Other Comprehensive Income					0.01	2.80		4.23	7.04
For the year							5.61		5.61
Profit for the year					523.00			1.04	524.04
Final Dividends					(52.86)				(52.86)
Balance as of 31st March, 2024	4.05	194.03	0.81	20.97	3,601.19	(3.18)	35.53	105.51	3,958.91

The Accompanying Notes Are Forming Integral Part Of Financial Statements

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

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Company Secretary

ACS 18069

Consolidated Statement Of Cash Flow

Statement the year ended 31st March 2024

(₹ in Crore)

	Year ended 31.03.2024	Year ended 31.03.2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit & Loss Account	667.37	806.84
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation and amortization expense	183.30	178.35
Finance Costs	128.41	124.41
Share of Profit/(loss) of joint ventures	15.41	(1.06)
Loss/(Profit) pertaining to scraping of assets	(0.14)	1.23
Coal Mining Assets written off	-	0.30
Exchange differences on translation of assets & liabilities	(1.54)	2.17
Net (Gain)/Loss on investments pertaining to Fair valuation	(67.91)	28.99
Interest Income	(83.09)	(50.23)
Dividend income	(2.41)	(2.20)
Amortization of Capital Subsidy	(0.10)	(0.10)
(Profit)/ Loss on sale of investments	(13.72)	(3.74)
Allowance for credit losses on financial assets	(0.12)	(0.14)
Impairment loss on discarding of Assets	(2.89)	-
Operating Profit Before Working Capital Changes	822.57	1,084.82
Changes in assets and liabilities		
Trade Receivables	81.97	(12.48)
Inventories	197.76	(114.15)
Trade Payables	38.29	(76.58)
Loans and advances and other assets	(262.73)	28.10
Liabilities and provisions	26.96	21.59
	904.82	931.30
Income Tax Paid	(152.52)	(229.86)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	752.30	701.44
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Property Plant & Equipment	(265.52)	(216.75)
Sale of Property, Plant & Equipment	0.42	0.50
Investment made in Joint Ventures, MFs & Others	(173.50)	(33.56)
Investment in FDR (made)/liquidated	(299.40)	(298.72)
Investment liquidated in MFs & Others	27.11	103.80
Loan repaid by/(given to) related & others parties	210.58	(16.35)
Interest received	59.24	33.04
Dividend received	2.41	2.20
Change in non-controlling interest	4.38	(5.30)
NET CASH (USED)/GENERATED IN INVESTING ACTIVITIES	(434.28)	(431.14)

Consolidated Statement Of Cash Flow

Statement the year ended 31st March 2024

(₹ in Crore)

C. CASH FLOW FROM FINANCING ACTIVITIES		
Payments for Buy Back of shares	-	(151.67)
Repayment of long term borrowings	(4.77)	(131.62)
Short term borrowings (net)	(35.81)	(45.78)
Interest Paid	(128.39)	(122.49)
Dividend paid	(52.86)	(27.04)
NET CASH (USED)/GENERATED IN FINANCING ACTIVITIES	(221.83)	(478.60)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	96.19	(208.30)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	7.86	216.16
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	104.05	7.86
Supplementary Information		
Restricted Cash Balance	0.93	0.89
Notes		
(a) Cash and cash equivalent include the following :		
Cash on Hand	0.36	0.21
Balances with banks	103.69	7.65
	104.05	7.86

(b) Reconciliation between opening and closing balance in the balance sheet for liabilities arising from financial activities due to cash flows and non cash flow changes

Particulars	As at 01.04.2023	Cash Flow		Non cash changes		As at 31.03.2024
		Proceeds	Repayments	Fair value changes	Classification changes	
Long Term Borrowings	1,242.71	-	(4.77)		(179.67)	1,058.27
Short Term Borrowings	164.26	-	(35.81)	(0.15)	179.67	307.97

(c) Previous year figures have been regrouped/rearranged wherever necessary.

(d) Figures in brackets represent outflows.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

FOR AND ON BEHALF OF THE BOARD

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Notes to the Consolidated Financial Statements

as on 31st March 2024

Material Accounting Policies on Consolidated Financial Statements

1.1 Basis of Preparation of consolidated financial statements:

The consolidated financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

1.2 Basis of Consolidation

The Consolidated Financial Statements comprise individual financial statements of Sarda Energy & Minerals Limited, its subsidiaries, associates and jointly controlled entities as on 31st March, 2024. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Consolidated Financial Statements have been prepared on the following basis:

- i) The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with (Ind AS) 110 - Consolidated Financial Statements. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealized profits or losses are fully eliminated. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent

company's separate financial statements unless stated otherwise.

The assets and liabilities of foreign subsidiaries are translated at year end exchange rates and all other items in Statement of Profit and Loss are translated at average annual rate. The resultant gains and losses are shown separately as Foreign Currency Translation Reserve under the head Other Equity in the consolidated financial statements.

The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated.

- ii) The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognized as 'Goodwill' being an asset in the consolidated financial statements. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognized as 'Capital Reserve' and shown under the head Other Equity in the consolidated financial statements.
- iii) Investment in Associates and Joint Ventures have been accounted under the equity method as per Ind AS 28 - Investments in Joint Ventures.

Under the equity method, an investment in Associates and Joint Ventures are initially recognized at cost on the date of the investment, and inclusive of any goodwill/ capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognized in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

Unrealized gains and losses resulting from transactions between the Group and the joint ventures are eliminated to the extent of the interest in the joint venture.

Notes to the Consolidated Financial Statements

as on 31st March 2024

- iv) The Audited financial statements of the subsidiaries and the jointly controlled entities used in the consolidation are drawn up to the same reporting date as of the Holding Company i.e. up to 31st March, 2024. The financial statement of an associate has been audited up to 31st December 2024 and the period from 1st January to 31st March 2024 was unaudited considered in the consolidated financial statement.
- v) Non Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- vi) Non-controlling interests in the net assets of consolidated subsidiaries is identified and is presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:
 - (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
 - (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence
- iii) Revenue on specific Hydro Power Project has been recognized based on the long-term Power Purchase Agreement (PPA) entered by the group for supply of its entire power to a state distribution utility. The PPA is governed by Tariff Regulations notified under the Electricity Act. The regulator has approved provisional tariff. The group has recognized revenue & regulated expenditure on its best assessment / understanding of regulations, provisions of PPA, representations, legal advice and after taking into effect of true-up of costs etc. The Pending approval of the final cost of the project and tariff which may result into upward/downward revision of the revenue or regulated expenses, the effect of which will be given on Final approval of tariff petition so revenue from sale of power is accounted as per provisional tariff determined by the regulatory body.
- iv) Depreciation on specific Hydro Power Project Depreciation is calculated on cost of items of Property, Plant and Equipment less their residual value over the estimated useful life using the straight-line method, following the rates and methodology as notified under MYT Regulations for fixation of tariff. Where life of particular asset is less than useful life of the project, such assets have been fully depreciated in accordance with the provisions of MYT regulations.

1.3 Other material accounting policies

i) Service Concession Arrangement

Specific Hydro Power Project of the Group recognizes an intangible asset arising from Service concession agreements to the extent it has a right to charge for use of concession infrastructure as per Appendix A of IND AS 115. Such intangible asset is measured at cost less any accumulated amortization.

ii) Revenue- Service Concession Arrangements-

Revenue related to construction or upgrade services under a service concession arrangement is recognized based on the stage of completion of the work performed. Operation or service revenue is recognized in the period the services are rendered by the group.

- v) Government grants are recognized initially as deferred income when there is reasonable assurance that they will be received and the group will comply with the conditions associated with the grant. Grants that compensate the group for expenses incurred are recognized over the period in which the related costs are incurred and are deducted from the related expenses. Grants that compensate the group for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset.

The rest of the Accounting Policies followed by the Group are set out under "Significant Accounting Policies" as given in the Parent Company's standalone financial statements.

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 2

PROPERTY, PLANT & EQUIPMENT	Gross Block			Depreciation				Net Block		
	As on 01.04.2023	Addition/ Transfer during the year	Transfer / Sale / Adjustment	As on 31.03.2024	Up to 01.04.2023	Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Freehold Land	29.03	17.99	-	47.02	-	-	-	-	47.02	29.03
Leasehold Land	33.13	2.02	-	35.15	2.16	0.82	-	2.98	32.17	30.98
Building	406.44	52.95	-	459.39	102.95	18.66	(1.41)	123.02	336.37	303.49
Plant & Machinery	2,987.43	61.54	3.69	3,045.28	608.23	155.43	1.29	762.37	2,282.91	2,379.20
Furniture, Fixture & Equipments	15.02	2.39	0.06	17.35	10.10	1.62	0.02	11.70	5.65	4.92
Vehicles	17.80	4.74	0.69	21.85	7.21	3.83	0.47	10.57	11.28	10.60
	3,488.85	141.63	4.44	3,626.04	730.65	180.36	0.37	910.64	2,715.40	2,758.22
Depreciation taken to Preoperative Expenses						0.00				
Net Depreciation during the year						180.36				

Ageing of capital work-in-progress is as below:

As at 31st March 2024

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	177.49	50.47	18.83	2.92	249.71
Project temporarily suspended	-	-	-	-	-
	177.49	50.47	18.83	2.92	249.71

Note:

As at the balance sheet date, assets / projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

INVESTMENT PROPERTY	Gross Block			Depreciation				Net Block		
	As on 01.04.2023	Addition/ Transfer during the year	Transfer / Sale / Adjustment	As on 31.03.2024	Up to 01.04.2023	Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Freehold Land - IP	34.37	-	0.06	34.31	-	-	-	-	34.31	34.37
Building - IP	13.73	-	9.51	4.22	1.73	0.09	1.30	0.52	3.70	12.00
	48.10	-	9.57	38.53	1.73	0.09	1.30	0.52	38.01	46.37

Amount recognized in profit & loss for investment properties

	31.03.2024
Rental Income (Included in non-operating income)	0.13
Other expenses related to investment Properties	0.04
Profit from Investment Properties before depreciation	0.09
Depreciation	0.09
Profit/(Loss) from Investment Properties	-

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

	Gross Block			As on 31.03.2024	Up to 01.04.2023	Depreciation		Net Block		
	As on 01.04.2023	Addition/ Transfer during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
Computer Software	2.40	-	-	2.40	1.77	0.17	(0.01)	1.95	0.45	0.62
Minig Rights & Development	40.11	-	-	40.11	3.03	1.42	-	4.45	35.66	37.08
Rights to use land	39.46	0.12	-	39.58	7.48	1.26	(0.01)	8.75	30.83	31.98
	81.97	0.12	-	82.09	12.28	2.85	-	15.15	66.94	69.68

Ageing of Intangible assets under development

As at 31st March 2024

Intangible Assets under development	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	0.36	0.04	0.17	0.40	0.97
	0.36	0.04	0.17	0.40	0.97

Note:

As at the balance sheet date, intangible assets under development are neither exceeded its estimated cost nor its estimated completion time line.

Details of Property Plant & Equipment pledged against borrowings is presented in Note no.14 and 19.

Note 2

PROPERTY, PLANT & EQUIPMENT	Gross Block			As on 31.03.2023	Up to 01.04.2022	Depreciation		Net Block		
	As on 01.04.2022	Addition during the year	Transfer / Sale / Adjustment			Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Freehold Land	29.03	-	-	29.03	-	-	-	29.03	29.03	29.03
Leasehold Land	39.69	0.21	6.77	33.13	1.21	1.04	0.09	2.16	30.97	38.64
Building	361.92	46.27	1.76	406.43	86.72	16.23	0.01	102.94	303.49	275.20
Plant & Machinery	2,804.13	188.76	5.46	2,987.43	455.77	154.16	1.71	608.22	2,379.21	2,348.36
Furniture, Fixture & Equipments	13.00	2.15	0.12	15.03	8.37	1.83	0.10	10.10	4.93	4.63
Vehicles	11.07	7.63	0.90	17.80	5.95	1.97	0.71	7.21	10.59	5.12
	3,258.84	245.02	15.01	3,488.85	558.02	175.23	2.62	730.63	2,758.22	2,700.98
Depreciation taken to Preoperative Expenses						0.00				
Net Depreciation during the year						175.23				

Ageing of capital work-in-progress is as below:

As at 31st March 2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	101.93	25.76	0.80	2.66	131.15
Project temporarily suspended	-	-	-	-	-
	101.93	25.76	0.80	2.66	131.15

Notes to the Consolidated Financial Statements

as on 31st March 2024

Note:

As at the balance sheet date, assets / projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

(₹ in Crore)

INVESTMENT PROPERTY	Gross Block			Depreciation				Net Block		
	As on 01.04.2022	Addition during the year	Transfer / Sale / Adjustment	As on 31.03.2023	Up to 01.04.2022	Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Freehold Land - IP	34.37	-	-	34.37	-	-	-	-	34.37	34.37
Building - IP	13.93	-	0.20	13.73	1.55	0.26	0.08	1.73	12.00	12.38
	48.30	-	0.20	48.10	1.55	0.26	0.08	1.73	46.37	46.75

Amount recognized in profit & loss for investment properties:

	31.03.2023
Rental Income (Included in non-operating income)	0.20
Other expenses related to investment Properties	0.04
Profit from Investment Properties before depreciation	0.16
Depreciation	0.26
Profit/(Loss) from Investment Properties	(0.10)

Other Intangible Assets

	Gross Block			Depreciation				Net Block		
	As on 01.04.2022	Addition during the year	Transfer / Sale / Adjustment	As on 31.03.2023	Up to 01.04.2022	Depreciation for the year	Transfer / Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Computer Software	2.40	-	-	2.40	1.59	0.19	-	1.78	0.62	0.81
Minig Rights & Development	40.11	-	-	40.11	1.61	1.42	-	3.03	37.08	38.50
Rights to use land	39.46	-	-	39.46	6.22	1.26	-	7.48	31.98	33.10
	81.97	-	-	81.97	9.42	2.87	-	12.29	69.68	72.41

Ageing of Intangible assets under development

As at 31st March 2023

Intangible Assets under development	Amount in Intangible Assets under development for a period of			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
Projects in progress	0.04	0.58	-	-
	0.04	0.58	-	-

Note:

As at the balance sheet date, intangible assets / projects forming part of intangible assets under development are neither exceeded its estimated cost nor its estimated completion time line.

Details of Property Plant & Equipment pledged against borrowings is presented in Note no.14 and 19.

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 3

NON CURRENT ASSET - FINANCIAL ASSETS - INVESMENTS		As at 31st March 2024	As at 31st March 2023
(a) Investment in Joint Ventures and Associates			
Using equity method		52.93	35.89
		52.93	35.89
(b) Investments			
Carried at FVTOCI			
Investments in other companies in Unquoted Equity Instruments		47.58	33.55
Carried at FVTPL			
Investment in Mutual Fund		0.35	0.25
		47.93	33.80

Note 4

NON CURRENT ASSETS - FINANCIAL ASSETS - OTHER FINANCIAL ASSETS		As at 31st March 2024	As at 31st March 2023
Security Deposits			
Unsecured, considered good		9.58	1.00
Bank Deposit with more than 12 months maturity		6.00	6.00
Contracted assets			
Unsecured, considered good		30.90	30.94
Other advances			
Unsecured, considered good		-	1.51
		46.48	39.45

Note 5

OTHER NON-CURRENT ASSETS		As at 31st March 2024	As at 31st March 2023
(a) Capital Advances			
Unsecured, considered good		81.48	60.47
(b) Advances other than capital advances			
Unsecured, considered good			
Security deposits and others		43.24	26.83
Pre Paid Expenses		1.20	1.06
		125.92	88.36

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 6

INVENTORIES	As at 31st March 2024	As at 31st March 2023
(valued at lower of cost and net realisable value)		
(a) Raw Material	264.50	402.62
(b) Finished / semi finished goods	199.01	259.64
(c) Stock-in-Trade	0.02	0.18
(d) Stores and spares	54.38	48.67
(e) Project under Development	10.48	15.04
	528.39	726.15

Note 7

CURRENT ASSETS - FINANCIAL ASSETS - INVESTMENTS	As at 31st March 2024	As at 31st March 2023
Carried at FVTPL		
(i) Investments in Equity Instruments in other Companies (Quoted)	149.56	104.99
(ii) Investments in Mutual Funds/Bonds and Debentures (quoted)	239.37	105.59
(iii) Investment in Commercial paper	24.94	-
(iv) Investments held for trading	144.10	142.01
	557.97	352.59

Note 8

CURRENT ASSETS - FINANCIAL ASSETS - TRADE RECEIVABLES	As at 31st March 2024	As at 31st March 2023
Trade receivables considered good - Unsecured	101.17	182.02
Trade receivables which have significant increase in Credit Risk	2.87	2.88
Trade receivable - credit impaired	0.76	0.77
Less: Provision for trade receivables considered good which have significant credit risk and credit impaired	(3.63)	(3.65)
	101.17	182.02

	Outstanding for following period for due of payment as on 31st March 2024						
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivables- considered good	71.72	29.19	0.03	0.15	0.08	-	101.17
Undisputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	0.18	2.69	2.87
Undisputed trade receivables- credit impaired	-	-	-	-	-	0.13	0.13
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	0.63	-	0.63
	71.72	29.19	0.03	0.15	0.89	2.82	104.80

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

	Outstanding for following period for due of payment as on 31st March 2023						
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivables- considered good	84.76	96.52	0.67	0.07	-	-	182.02
Undisputed trade receivables- which have significant increase in Credit Risk	-	-	-	0.19	0.04	2.65	2.88
Undisputed trade receivables- credit impaired	-	-	-	-	-	0.14	0.14
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in Credit Risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	0.63	-	-	0.63
Total	84.76	96.52	0.67	0.89	0.04	2.79	185.67

Note 9

CURRENT ASSETS - FINANCIAL ASSETS - CASH & CASH EQUIVALENTS	As at 31st March 2024	As at 31st March 2023
Balances with banks		
In current accounts	27.88	7.65
Deposits with Banks-Maturity for less than 3 months	75.81	-
Cash on hand	0.36	0.21
	104.05	7.86

Note 10

CURRENT ASSETS - FINANCIAL ASSETS - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS	As at 31st March 2024	As at 31st March 2023
Fixed Deposits with Banks-Maturity for more than 3 months and less than 12 months	662.71	363.31
Unpaid dividend	0.93	0.89
	663.64	364.20

Note 11(a)

CURRENT ASSETS - FINANCIAL ASSETS - LOANS	As at 31st March 2024	As at 31st March 2023
(a) Loans and advances to related parties		
Considered good - Unsecured	375.80	252.25
(b) Other loans		
Considered good - Unsecured		
(i) Loans to employees	1.95	1.71
(ii) Loans and advances to other parties	109.25	46.07
	487.00	300.03

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 11(b)

CURRENT ASSETS - FINANCIAL ASSETS - OTHER FINANCIAL ASSET	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
(i) Earnest money deposit	1.94	8.32
(ii) Claims & recoverables	39.23	64.35
	41.17	72.67

Note 12

OTHER CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023
Advances other than capital advances		
Unsecured, considered good		
(i) Employee Advance	0.22	0.10
(ii) Advances to vendors	96.53	193.77
(iii) Advance royalty paid	10.65	16.57
(iv) Prepaid expenses	8.79	5.46
(v) Balances with revenue authorities	20.37	19.09
(vi) Others	4.03	0.81
	140.59	235.80

Note 13(a)

EQUITY SHARE CAPITAL	As at 31st March 2024		As at 31st March 2023	
	No.	₹ in Crore	No.	₹ in Crore
A Authorized				
Equity Shares of ₹ 1/- each	50,00,00,000	500.00	5,00,00,000	50.00
Issued, Subscribed and fully paid up				
Equity Shares of ₹ 1/- each	35,23,81,270	35.24	3,52,38,127	35.24
	35,23,81,270	35.24	3,52,38,127	35.24

B Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

	As at 31st March 2024		As at 31st March 2023	
	No.	₹ in Crore	No.	₹ in Crore
Number of shares outstanding at the beginning of the period (*)	35,23,81,270	35.24	3,60,49,235	36.05
Add: Increased during the year	-	-	-	-
Less: Deductions during the period (**)	-	-	8,11,108	0.81
Number of shares outstanding at the end of the period	35,23,81,270	35.24	3,52,38,127	35.24

Notes to the Consolidated Financial Statements

as on 31st March 2024

(*) During the year 2023-24, w.e.f. 04.08.2023, the equity shares were split from face value of ₹ 10/- to face value of ₹ 1/-. There was no change in the issued capital.

(**) On account of Buyback of shares.

C Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sales proceeds of the remaining assets of the Company after distribution of all the preferential amounts. The distribution shall be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at 31st March 2024		As at 31st March 2023	
	Number of shares	%	Number of shares	%
Chhatisgarh Investments Limited	13,59,74,930	38.59%	1,35,97,493	38.59%
Sarda Agriculture and Properties Private Limited	2,58,18,670	7.33%	25,81,867	7.33%

E In the period of five years immediately preceding 31st March 2024, the Company has not issued bonus shares, and has not allotted any equity shares. However the Company has bought back 8,11,108 equity share in F.Y. 2022-23.

F There are no shares reserved for issue under options and there are no contracts or commitments for the sale of shares or disinvestment.

G Details of promoters' shareholding percentage in the Group is as below:

S No.	Promoter Name	Share held by promoter at the end of the year		% change during the year
		No of Shares	% of total shares	
1	Kamal Kishore Sarda	54,84,550	1.56%	0.00%
2	Kamal Kishore Rathi	58,310	0.02%	0.00%
3	Aditi Sarda	88,730	0.03%	0.00%
4	Shashi Rathi	1,89,150	0.05%	0.00%
5	Jugal Kishore Sarda (HUF)	2,11,000	0.06%	0.00%
6	Sonal Sarda	5,52,160	0.16%	0.16%
7	Aditya Ghanshyam Sarda	11,28,400	0.32%	0.00%
8	Raghav Sarda	11,28,400	0.32%	0.00%
9	CSP Investments (Chhatisgarh Investments Ltd, Sarda Agriculture and Properties Pvt. Ltd., Prachi Agriculture & Properties Pvt. Ltd.)	14,39,370	0.41%	0.00%
10	Vipula Sarda	41,06,390	1.17%	0.00%
11	Ghanshyam Sarda	62,10,360	1.76%	0.00%
12	Pankaj Sarda	67,14,410	1.91%	0.00%
13	Veenadevi Sarda	70,23,500	1.99%	0.00%
14	Manish J Sarda	75,52,160	2.14%	0.00%
15	Neeraj Sarda	70,00,000	1.99%	-0.16%

Notes to the Consolidated Financial Statements

as on 31st March 2024

Share held by promoter at the end of the year				% change during the year
S No.	Promoter Name	No of Shares	% of total shares	
16	Anant Sarda	78,52,890	2.23%	0.00%
17	Uma Sarda - Trustee to K K Sarda Family Trust	97,15,450	2.76%	0.00%
18	Uma Sarda	1,20,72,210	3.43%	0.00%
19	Prachi Agriculture & Properties Private Limited.	1,56,53,220	4.44%	0.00%
20	Sarda Agriculture and Properties Private Limited.	2,58,18,670	7.33%	0.00%
21	Chhatisgarh Investments Limited.	13,59,74,930	38.59%	0.00%
		25,59,74,260	72.64%	0.00%

Note 13 (b)

(₹ in Crore)

OTHER EQUITY	As at 31st March 2024	As at 31st March 2023
Capital Reserve		
Balance as per last financial statements	4.05	4.05
	4.05	4.05
Capital Redemption Reserve		
Balance as per last financial statements	0.81	-
Addition on account of buy back of equity shares	-	0.81
	0.81	0.81
Securities Premium		
Balance as per last financial statements	194.03	194.03
	194.03	194.03
General Reserve		
Balance as per last financial statements	20.97	171.83
Less: Utilization for Buy Back of Shares	-	(150.86)
	20.97	20.97
Exchange differences on translating the financial statements of the foreign operations-		
Balance as per last financial statements	29.92	16.37
Addition / (deduction) during the year	5.61	13.55
	35.53	29.92
Retained earnings		
Balance as per last financial statements	3,131.04	2,587.40
Add : Profit for the year	523.00	602.11
Prior year errors	-	(30.30)
Remeasurements of the net defined benefit plans	0.01	(1.13)
Equity Dividend	(52.86)	(27.04)

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

OTHER EQUITY	As at 31st March 2024	As at 31st March 2023
	3,601.19	3,131.04
Other Comprehensive Income		
Balance as per last financial statements	(5.98)	(6.00)
Addition / (deduction) during the year	2.80	0.02
	(3.18)	(5.98)
	3,853.40	3,374.84

- (i) During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.
- (ii) Securities premium is used to record the premium received on issue of shares. It is to be utilized in accordance with the provisions of Companies Act, 2013.
- (iii) Capital redemption reserve has been created on account of buy back of equity shares. It is to be utilized in accordance with the provisions of Companies Act, 2013.
- (iv) General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.
- (v) Capital Reserve - During amalgamation, the excess of net assets required over the cost of consideration paid is treated as capital reserve.
- (vi) Other Comprehensive Income - The cumulative gains and losses arising from fair value changes of equity investment measured at fair value through other comprehensive income are recognized in fair value of financial assets. The balance of reserves represents such changes recognized net of amounts reclassified to retained earnings on disposal of such investments.
- (vii) Exchange differences arising on transactions of the foreign operations are recognized in other comprehensive income as described in the accounting policy and accumulated in a separate reserve within equity. The cumulated amount is reclassified to profit and loss when the net investment is disposed off.

Note 14

NON - CURRENT LIABILITIES - FINANCIAL LIABILITIES - BORROWINGS	Non-Current portion		Current Maturities	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Term loans (Secured)				
from banks				
Indian Rupee Loan	221.90	338.09	195.32	179.67
Buyer's Credit for Capital Goods	6.10	14.08	-	-
from others				
Indian rupee loan from Financial institutions	830.27	710.87	-	-
	1,058.27	1,063.04	195.32	179.67

Notes to the Consolidated Financial Statements

as on 31st March 2024

1) Nature of security :

Sarda Energy & Minerals Limited

- i Term Loans from Bank are secured by first pari-passu charge by way of hypothecation of entire movable assets of the Company situated at Industrial Growth Centre, Siltara, Raipur subject to prior charge on current assets in favour of Working Capital Bankers and by way of joint equitable mortgage of immovable properties of the Company situated at Industrial Growth Centre, Siltara, Raipur and Urkura, Raipur.
- ii Besides this, the Term Loan from Banks are also secured by unconditional and irrevocable personal guarantees of Mr. K. K. Sarda, Mr. Manish Sarda & Mr. Pankaj Sarda.

Madhya Bharat Power Corporation Limited

- i Term Loan is secured by pari passu charge by way of hypothecation of movable assets ,operating cash flows and current assets of the company and mortgage of immovable properties of plant situated in East Sikkim .
- ii In addition, term loan is secured by unconditional and irrevocable personal guarantees of the Promoter Director, Mr. Kamal Kishore Sarda.The same will be reviewed by the lender and released after 2 years of satisfactory performance.
- iii The company shall maintain Debt Service Reserve Account (DSRA) equal to one quarter of interest and installments within 12 months from the date of refinancing and another quarter within 24 months from the date of take over respectively.The DSRA shall be reduced to one quarter on satisfactory operations.
- iv Charge on TRA.

Kalyani Coal Mining Private Limited

- i Corporate Guarantee of ₹ 8.25 Crore (PY Nil) of Holding Company Sarda Energy & Minerals Limited.

Chhattisgarh Hydro Power LLP

- (a) Primary - Charge on entire movable & immovable fixed assets of 24 MW Gullu Hydro Power Project of Chhattisgarh Hydro Power LLP.
- (b) Collateral -
 - 1) Charge on entire currents assets of 24 MW Gullu Hydro Power Project of Chhattisgarh Hydro Power LLP.
 - 2) Unconditional and irrevocable personal guarantees of Mr. Kamal Kishore Sarda & Mr. Pankaj Sarda

Sarda Metals & Alloys Limited

For Indian Rupee Loan

- i Pari-Passu first charge by way of Equitable Mortgage of the immovable property of the company situated at APIIC Industrial Park at Kantakapalli village, pari-passu first charge on the moveable properties and fixed assets of the company and pari-passu second charge on the current assets of the company in favour of Axis Trustee Services Limited appointed as Security Trustee by the Lenders.
- ii Pledge of 51% of Shares held in the company by the Holding Company Sarda Energy & Minerals Limited in favour of Axis Trustee Services Limited appointed as Security Trustee by the Lenders.
- iii Corporate Guarantee of ₹ 17.29 Crore (PY ₹25.21 Crore) of Holding Company Sarda Energy & Minerals Limited.

Notes to the Consolidated Financial Statements

as on 31st March 2024

2) Repayment terms :

Sarda Energy & Minerals Limited

- i Rupee term loan of ₹ 91.35 crore (Present Outstanding ₹ 48.67 crore) from HDFC Bank is payable in 20 quarterly installments starting from June 2021.
- ii Rupee term loan of ₹ 50 crore (Present Outstanding ₹ 23.00 crore) from Axis Bank Ltd. is payable in 16 equal quarterly installments starting from March 2022.
- iii Rupee term loan of ₹ 48.13 crore (Present Outstanding ₹ 11.25 crore) from Axis Bank Ltd. is payable in 20 equal quarterly installments starting from March 2020.

Madhya Bharat Power Corporation Limited

Indian Renewal Energy Development Agency Limited (IREDA)-

- (i) Existing term loan of ₹140 crore from IREDA is repayable in 60 quarterly installments comprising 40 installment of 1.54 Crore each and balance 20 installments of ₹3.93 crore each commencing from July 2022 and ending on 15.04.2035.
- (ii) Company has withdrawn take over loan of ₹107.88 crore from IREDA , hence additional sanctioned term loan facility has been reduced to ₹ 688.85 crore .
- (iii) The take over loan of ₹ 688.85 crore from IREDA is repayable in 53 quarterly structured installments.
- (iv) The additional term loan of ₹200 crore from IREDA disbursed during the year is repayable in 60 quarterly structured installments.

Chhattisgarh Hydro Power LLP

Secured Bank Loan (HDFC) of ₹ 46.59 Crore, 9.70% p.a. (linked to 1 year MCLR with Annual reset) is payable quarterly installments up to the year 2027-28.

Sarda Metals & Alloys Limited

- i Indian Rupee Term Loan sanctioned from Axis Bank of ₹144.78 Crore is payable in 41 unequal quarterly instalments commencing from September 2017 and ending on September 2027. Out of the 41 unequal quarterly instalments, 27 instalments have been repaid up to 31.03.2024.
- ii Indian Rupee Term Loan sanctioned from HDFC Bank of ₹ 40.14 Crore (TL-1) is payable in 27 unequal quarterly instalments commencing from September 2019 and ending on June 2026. Out of the 27 unequal quarterly instalments, 18 instalments have been repaid up to 31.03.2024.
- iii Indian Rupee Term Loan sanctioned from HDFC Bank of ₹ 11.50 Crore (TL-2) is payable in 24 equal quarterly instalments commencing from September 2019 and ending on September 2025. Out of the 24 unequal quarterly instalments, 18 instalments have been repaid up to 31.03.2024.
- iv Indian Rupee Term Loan sanctioned from HDFC Bank of ₹ 56.97 Crore (TL-3) is payable in 48 equal monthly instalments commencing from May 2022 and ending on March 2026 with 2 instalments being repayable in March 2026. Out of 48 equal monthly instalments, 24 instalments have been repaid up to 31.03.2024.
- v Indian Rupee Term Loan sanctioned from HDFC Bank of ₹ 78.85 Crore (TL-4) for the purpose of repayment of term loan of IDFC First Bank is payable in 20 unequal quarterly instalments commencing from March 2023 and ending on December 2027. Out of the 20 unequal quarterly instalments, 5 instalments have been repaid up to 31.03.2024.
- vi Indian Rupee Term Loan sanctioned from HDFC Bank of ₹ 50 Crore (TL-5) for the purpose of financing the 1X36 MVA ferro alloys furnace project is payable in 32 unequal quarterly instalments commencing from June 2023 and ending on March 2031. Out of the 32 unequal quarterly instalments, 4 instalments have been repaid up to 31.03.2024.

Notes to the Consolidated Financial Statements

as on 31st March 2024

Note 15

(₹ in Crore)

NON - CURRENT LIABILITIES - FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES	As at 31st March 2024	As at 31st March 2023
Security Deposit		
Deposits from Vendors	4.14	4.05
Power Obligation	17.04	10.61
	21.18	14.66

Note 16

PROVISIONS	As at 31st March 2024	As at 31st March 2023
(a) Provision for employee benefits		
Provision for Leave encashment & Gratuity	11.03	8.85
(b) Others		
Site restoration expenses	27.67	27.53
	38.70	36.38

Note 17

DEFERRED TAX LIABILITIES (NET)	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liabilities		
Deferred tax liability / (assets) at the beginning of the year	101.94	123.91
Deferred tax liability / (assets) during the year on account of timing difference & unabsorbed depreciation	2.86	(21.97)
DEFERRED TAX LIABILITIES / ASSETS at the end of the year	104.80	101.94

Note 18

OTHER NON CURRENT LIABILITIES	As at 31st March 2024	As at 31st March 2023
Capital Subsidy	4.30	4.40
	4.30	4.40

Note 19

CURRENT LIABILITIES - FINANCIAL LIABILITIES - BORROWINGS	As at 31st March 2024	As at 31st March 2023
Secured		
From Banks (Secured)		
Short term loans	-	4.32
Working capital loans (repayable on demand)	47.15	4.67

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

CURRENT LIABILITIES - FINANCIAL LIABILITIES - BORROWINGS	As at 31st March 2024	As at 31st March 2023
Working capital Buyers Credit loans	65.50	155.27
	112.65	164.26
Current maturities of long-term borrowings	195.32	179.67
	307.97	343.93

Terms of repayment & Security:

Sarda Energy & Minerals Limited

Working Capital loans from banks are secured by first pari-passu charge on stocks & book debts and second pari-passu charge on all present and future movable Plant & Machinery and second charge by way of joint equitable mortgage of immovable properties located at Industrial Growth Centre, Siltara, Raipur and land located at Urkura Raipur. These facilities are also secured by irrevocable personal guarantees of Mr. K.K.Sarda, Mr. Pankaj Sarda and Mr. Manish Sarda.

Sarda Metals & Alloys Limited

- Working capital loans are payable on demand, Buyers Credit are payable on specific dates & no fixed date for repayment of loan from Holding Company.
- Working Capital Facilities are secured by first pari-passu charge on stocks & book debt and second pari-passu charge on all present and future movable plant and machinery of the Company. These facilities are also secured by personal guarantee of Director, Mr.K.K.Sarda to the extent of ₹254.30 Crore.
- These securities are created in favour of M/s Axis Trustee Services Limited, appointed as Security Trustee for working capital facilities by consortium of Banks comprising Bank of Baroda, RBL Bank Limited and Yes Bank Limited.
- First pari-passu charge created by way of hypothecation of stock and book debts (both present and future) in favor of ICICI Bank Limited has been created on bilateral basis. Second pari-passu charge on movable plant and machinery (both present and future) in favor of ICICI Bank Limited is yet to be created.
- First pari-passu charge on current assets and second pari-passu charge on movable fixed assets in favor of HDFC Bank Limited are yet to be created.
- The weighted average rate of interest on Packing Credit in Foreign Currency (Working Capital Loan) is 6.76%.

Note 20

CURRENT LIABILITIES - FINANCIAL LIABILITIES - TRADE PAYABLE	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of Micro Enterprises & Small Enterprises	7.64	5.12
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	164.97	129.59
	172.61	134.71

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Trade Payable Ageing schedule for the year ended -

As at 31st March 2024	Outstanding for following periods total from transaction date					
	Not due / Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	7.64	-	-	-	-	7.64
Other	112.23	50.88	0.49	0.85	0.52	164.97
Disputed due - MSME	-	-	-	-	-	-
Disputed due - Other	-	-	-	-	-	-
Total	119.87	50.88	0.49	0.85	0.52	172.61

As at 31st March 2023	Outstanding for following periods total from transaction date					
	Not due / Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	5.12	-	-	-	-	5.12
Others	102.23	23.91	2.17	0.32	0.95	129.59
Disputed due - MSME	-	-	-	-	-	-
Disputed due - Others	-	-	-	-	-	-
Total	107.35	23.91	2.17	0.32	0.95	134.70

Note 21

CURRENT LIABILITIES - FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES	As at 31st March 2024	As at 31st March 2023
(a) Interest accrued but not due on borrowings	8.66	8.74
(b) Deposits from customers	9.67	22.93
(c) Salary & reimbursements	26.76	24.89
(d) Bill discounting	-	26.24
(e) Unpaid Dividends	0.93	0.82
(f) Provision for expenses	100.17	74.43
	146.19	158.05

Note 22

OTHER CURRENT LIABILITIES	As at 31st March 2024	As at 31st March 2023
(a) Others -		
Indirect taxes payable	15.66	15.77
(b) Deposit from Employees	2.20	1.39
(c) Advances from customers	24.53	30.12
(d) TDS payables	4.68	4.02
(e) Provision for True up of annual revenue requirement & others	91.05	56.29
	138.12	107.59

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 23

PROVISIONS	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
(a) Provision for gratuity	0.86	1.00
(b) Provision for Leave	0.52	0.59
Others	0.75	0.73
	2.13	2.32

Note 24

REVENUE FROM OPERATIONS	2023-24	2022-23
Sale of products		
Sponge Iron	277.53	253.16
Ferro Alloys	1,470.91	1,534.53
Steel Billets	132.09	156.53
Wire Rod / HB Wire	888.34	992.03
Pellet	479.41	481.09
Power	361.54	355.86
Others	213.13	416.21
Other operating revenues	45.18	22.49
	3,868.13	4,211.90

24 (i) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below

	2023-24	2022-23
Segment Revenue		
Steel	2,071.99	2,256.77
Ferro Alloys	1,527.99	1,691.24
Power	896.62	877.04
Unallocated	28.12	40.75
	4,524.72	4,865.80
Less: Inter segment revenue	656.59	653.90
	3,868.13	4,211.90

	2023-24	2022-23
Domestic	2,956.95	3,209.09
Exports	911.18	1,002.81
	3,868.13	4,211.90

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

	2023-24	2022-23
Timing of revenue recognition		
At a point in time	3,868.13	4,211.90
Total	3,868.13	4,211.90

	2023-24	2022-23
Assets and liabilities related to contracts with customers-		
Contract balances		
Contract assets (refer note 4)	30.90	30.94
Trade Receivables (refer note 8)	101.17	182.02
Contract Liabilities		
Power obligation (refer note no 15)	17.04	10.61
Advance from customers (refer note no 22)	24.53	30.12

Contract assets represent amount receivable towards late payment surcharge as per power purchase agreement and also amount receivable towards reimbursement of prepayment penalty as per applicable tariff regulations.

Trade receivables are non-interest bearing and are generally on terms of advance or credit period ranges of 1 to 90 days. In March 2024, there was a additional provision/reversal of ₹ 0.75 crore (March 2022: ₹ 0.77 Crore) on account of/of/out of the provision for expected credit losses on trade receivables.

Contract liabilities include long term power obligation i.e. the present value of revenue share payable to Govt. of Sikkim as per power purchase agreement.

Contract liabilities include short-term advances received from customers to deliver manufacturing goods.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 25.56 Crore (previous year ₹ 18.32 Crore) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Note 25

OTHER INCOME	2023-24	2022-23
Interest Income	83.09	50.23
Dividend Income		
From Others	2.41	2.20
Net gain on sale of investments	13.72	3.74
Fair value gain on Financial Instruments at FVTPL	67.91	(28.99)
Other non-operating income (net of expenses directly attributable to such income)	17.04	22.21
	184.17	49.39

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 26

COST OF RAW MATERIAL CONSUMED	2023-24	2022-23
Iron Ore	491.87	453.56
Mn Ore	513.12	473.35
Coal	1,042.61	1,167.89
Scrap	172.15	200.32
Other Material	67.88	16.97
	2,287.63	2,312.09

Note 27

CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE	2023-24	2022-23
Inventories at the end of the year		
Finished Goods / Semi-finished goods	199.01	259.64
Trading Goods	0.02	0.18
	199.03	259.82
Inventories at the beginning of the year		
Finished Goods / Semi-finished goods	259.64	253.28
Trading Goods	0.18	0.50
	259.82	253.78
(Increase)/Decrease in Inventories	60.79	(6.04)

Note 28

EMPLOYEE BENEFITS EXPENSE	2023-24	2022-23
Salaries, incentives & Managerial Remuneration	127.96	113.65
Contributions to -		
Provident fund	6.89	6.42
Superannuation scheme	0.35	0.33
Gratuity fund	2.91	2.77
Staff welfare expenses	4.20	3.93
	142.31	127.10

Note 29

FINANCE COSTS	2023-24	2022-23
Interest expense	115.44	110.29
Other borrowing costs	10.94	9.09
Amortization of ancillary borrowing costs	0.58	0.56
Exchange difference to the extent considered as an adjustment to borrowing costs	1.45	4.47
	128.41	124.41

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 30

OTHER EXPENSES	2023-24	2022-23
Stores & Spares Consumption	129.38	124.46
Power	61.11	52.21
Manufacturing Expenses-		
Plant process & services	37.68	36.66
Material handling Expenses	51.31	48.38
Other Manufacturing Expenses	0.77	0.64
Repairs & Maintenance		
Building	2.72	3.21
Plant & Machinery	16.86	18.52
Others	15.03	14.03
Rent	3.12	3.11
Rates & Taxes	23.05	20.76
Insurance Charges	10.25	9.97
Travelling & Conveyance expenses	10.09	9.27
Legal & Professional Expenses	11.86	10.34
Free Power Obligation	26.83	24.52
Corporate Social Responsibility	15.53	11.87
Administrative and other Expenses	24.91	23.76
Cost of Sales of Real Estate Project	5.35	3.27
Selling Expenses		
Carriage Outward	78.00	114.12
Selling Commission & Brokerage	5.92	5.85
Other Selling Expenses	1.40	2.10
Exchange differences (net)	(10.95)	(8.44)
Payment to Auditors	0.70	0.68
	520.92	529.29

Rent

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

	2023-24	2022-23
The following are the amounts recognized in profit or loss:		
Expense relating to short-term leases (included in other expenses)	3.12	3.11

The Company had total cash outflows for leases of ₹ 3.12 crore in 31st March 2024 (₹ 3.11 crore in 31st March 2023).

Note 31

OTHER COMPREHENSIVE INCOME	2023-24	2022-23
(i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(0.22)	(1.53)
Income Tax relating to above item	0.23	0.34

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

OTHER COMPREHENSIVE INCOME	2023-24	2022-23
(ii) Items that will not be reclassified to profit or loss		
Fair value of investment	9.94	(0.76)
Share of other comprehensive income in associates & joint ventures	(1.53)	0.07
Income Tax relating to above items	(1.37)	0.78
	7.05	(1.10)

Note 32

EARNINGS PER SHARE (EPS)	2023-24	2022-23
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (₹ in Crore)	523.00	602.11
Nominal Value of Equity Shares (₹)	1	1
Weighted average number of Equity Shares used as denominator for calculating basic EPS (in Crore)	35.24	35.43
Weighted average number of Equity Shares used as denominator for calculating Diluted EPS (in Crore)	35.24	35.43
Basic	14.84	16.99
Diluted	14.84	16.99

33. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company.

As part of secondary reporting, the company has no geographical segment by location.

Business Segment Primary

	2023-24				2022-23			
	Steel	Ferro	Power	Total	Steel	Ferro	Power	Total
Revenue								
Sales & other income	1,969.09	1,504.76	366.17	3,840.02	2,140.42	1,670.13	360.60	4,171.15
Inter segment sales	102.90	23.23	530.45	656.58	116.36	21.11	516.43	653.90
Others Unallocated				28.12				40.75
Less: Inter segment sales	102.90	23.23	530.45	656.58	116.36	21.11	516.43	653.90
Total Revenue	1,969.09	1,504.76	366.17	3,868.14	2,140.42	1,670.13	360.60	4,211.90
Result								
Segment Result	440.84	154.78	152.90	748.52	648.11	194.09	156.12	998.32
Unallocated Expenses net off unallocated income				36.31				(75.51)
Operating Profit				784.83				922.81
Interest & Forex Fluctuation Loss (Net)				(117.46)				(115.97)
Profit Before Tax & Extraordinary Item				667.37				806.84
Add: Extra Ordinary Item				-				-
Provision for taxation								

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

	2023-24				2022-23			
For Current Year				(157.44)				(221.39)
For Deferred Taxation				(1.30)				19.59
Profit After Taxation				508.63				605.04
Other Information								
Segment Assets	789.04	743.62	2,698.28	4,230.94	1,057.62	870.19	2,491.26	4,419.07
Unallocated Assets				1,737.89				1,029.31
Total Assets				5,968.83				5,448.38
Segment Liabilities	164.09	217.47	1,262.99	1,644.55	201.98	327.11	1,335.87	1,864.96
Unallocated Liabilities				363.15				106.09
Total Liabilities				2,007.70				1,971.05
Capital Expenditure	42.54	31.71	65.91	140.16	36.29	124.48	99.52	260.29
Depreciation / Amortisation	39.06	24.69	111.37	175.12	37.91	22.99	110.17	171.07
Unallocated Capital Expenditure / Depreciation				32.55				16.56

Notes:

1/ There is no customer having 10% of total revenue.

2/ No operating segments have been aggregated to from the above reportable operating segments.

34. INTEREST IN SUBSIDIARIES

The financial statements of the following subsidiaries have been considered in consolidation:

Name of Subsidiaries	Country of Origin	Proportion of ownership interest	
		As at 31 st March (%)	
		2024	2023
Sarda Energy & Minerals Hong Kong Limited	HongKong	100.00	100.00
Sarda Global Ventures Pte Limited	Singapore	100.00	100.00
Sarda Global Trading DMCC	Dubai	100.00	100.00
Sarda Metals & Alloys Limited	India	100.00	100.00
Sarda Energy Limited	India	100.00	100.00
Chhattisgarh Hydro Power LLP	India	100.00	100.00
Kalyani Coal Mining Private Limited	India	100.00	-
Parvatiya Power Limited	India	51.00	51.00
Madhya Bharat Power Corporation Limited	India	84.65	84.65
Shri Ram Electricity LLP	India	51.00	51.00
Sarda Hydro Power LLP	India	60.00	60.00
Natural Resources Energy Private Limited	India	51.00	51.00

Notes to the Consolidated Financial Statements

as on 31st March 2024

35. (a) INTEREST IN JOINT VENTURES

The financial statements of the following Joint Ventures have been considered in consolidation:

Name of the Company	Country of Origin	Proportion of ownership interest as at 31st March	
		2024	2023
Raipur Infrastructure Company Limited	India	33.33%	33.33%
Madanpur South Coal Company Limited	India	20.63%	20.13%

(b) Interest in Associates of Subsidiary company

The financial statements of the following Associate has been considered in consolidation:

Name of the Company	Country of Origin	Proportion of ownership interest as at 31st March	
		2024	2023
PT. Tigadaya Minergy	Indonesia	49.00%	49.00%
Nirjhar Commodities	India	49.00%	-

36 RELATED PARTY DISCLOSURE

a) Names of related parties and description of relationship

S.No.	Relationship	Name of Related Parties
1	Joint Ventures/Associates	Raipur Infrastructure Company Limited (Joint Venture) Madanpur South Coal Company Limited (Joint Venture) Nirjhar Commodities Private Limited (Associate of WOS) P T Tigadaya Minergy (Associate of Overseas WOS)
2	Related Enterprises where significant influence exist	Chhatisgarh Investments Limited Geschafft Formulae India Private Limited Rishabh Mining and Transport Company Private Limited Sarda Dairy and Food Products Limited Earthstahl and Alloys Limited Chhattisgarh Metaliks and Alloys Private Limited Raipur Mega Food Park Private Limited Continental Jeweltech Mining Private Limited Kashmirilal Constructions Private Limited Vikas Associates R. R. Sarda & Co
3	Key Management Personnel (KMP)	Mr. Kamal Kishore Sarda Mr. Pankaj Sarda Mr. Padam Kumar Jain (WTD & CFO) Mr. Amal Kumar Debnath (w.e.f. 1st August 2023) Mr. Jitender Balakrishnan Mr. C.K. Lakshminarayanan (Upto 31st March 2023) Mr. Rajeev Sharma (w.e.f. 3rd February 2024) Mr. Asit Kumar Basu Mr. Binoy Sandip Parikh (w.e.f. 1st August 2023) Mr. Rakesh Mehra Ms. Tripti Sinha Mr. Upendra Prasad Singh (w.e.f. 20th March 2024)

Notes to the Consolidated Financial Statements

as on 31st March 2024

S.No.	Relationship	Name of Related Parties
		Mr. Manish Sethi (CS) Mr. Manish Sarda Mr. Neeraj Sarda Mrs. Sonal Sarda Mr. V. Sridar Mr. Gaurav Thakkar Mr. Sanjay Sabat Mrs. Vipula Sarda Mr. P. S. Dutttagupta Mr. Gaurishankar Patra Ms. Shilpa Rathod Mr. Dinesh Kumar Lahoti Mr. Prahmarsh Agarwal
4	Relatives of KMPs/ Promoter Group	Mr. Ghanshyam Sarda Mr. Anant Sarda Mr. Raghav Sarda Mrs. Vipula Sarda Mr. Vikas Agarwal

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and on arm's length basis. For the year ended 31st March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2023: ₹ NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

b) Material Transactions with Related Parties

(₹ in Crore)

	Joint Ventures/ Associates	Related Enterprises where significant influence exists	Key Management Personnel	Relatives of Key Management Personnel
Remuneration	-	-	9.93	0.54
	-	-	(8.36)	(0.29)
Rent Paid	-	2.27	-	0.16
	-	(2.01)	-	(0.04)
Loans Granted	-	1,747.58	-	-
	-	(337.12)	-	-
Loans Received Back	-	1,646.67	-	-
	-	(380.09)	-	-
Dividend Income	4.58	-	-	-
	-	-	-	-
Interest Received	-	24.93	-	-
	-	(18.64)	-	-
Sale of Goods	-	0.26	-	-
	-	(2.85)	-	-
Purchase of Goods	-	0.68	-	-
	-	(0.31)	-	-

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

	Joint Ventures/ Associates	Related Enterprises where significant influence exists	Key Management Personnel	Relatives of Key Management Personnel
Services Received	-	2.41	-	-
	-	(2.52)	-	-
Services Rendered	0.03	-	-	-
	(0.04)	-	-	-
Commission Paid	-	-	11.94	-
	-	-	(12.80)	-
Land Purchase	-	14.02	-	-
	-	-	-	-
Investment made	0.04	21.20	-	-
	(19.88)	(7.16)	-	-
Outstanding as on 31st March 2024				
Receivables	-	7.81	-	15.02
	-	(17.73)	(0.11)	-
Loans Receivable	-	372.36	-	-
	-	(249.99)	-	-
Payables	-	0.39	12.42	0.03
	-	(0.51)	(13.11)	(0.08)

37. COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account for the Group, net of advance given and not provided for as at 31st March 2024 is ₹ 233.74 Crore (31 March 2023: ₹ 45.61 Crore).

38. INCOME TAX EXPENSE

i) Income tax recognized in profit or loss

a) Current tax expense	As at 31st March 2024	As at 31st March 2023
Current year	157.44	221.39
Deferred tax expense		
Origination and reversal of temporary differences	1.30	(19.59)
Total income tax expense	158.74	201.80

ii) Income tax recognized in OCI	As at 31st March 2024	As at 31st March 2023
That will not be reclassified to profit or loss	0.23	0.34
That will be reclassified to profit or loss	(1.37)	0.79
Total income tax expense relating to OCI items	(1.14)	1.13

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

b) Reconciliation of tax expense and accounting profit

	As at 31st March 2024	As at 31st March 2023
Accounting profit before tax from continuing operations	667.37	806.84
Accounting profit before tax	667.37	806.84
Expected Tax Rate	25.17%	25.17%
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	167.96	210.14
Exempted Income not considered for tax purpose	(4.40)	(4.48)
Expense Allowable for tax purpose	(76.24)	(32.22)
Expense not allowed for tax purpose	35.94	26.93
Deduction under Chapter VIA	(1.37)	(5.47)
Income not considered for tax purpose other than PGBP	29.59	18.22
Short Term Capital Loss Claimed	(0.18)	-
Effect Of Different Tax Rates	(2.33)	-
Effect of different overseas rates	0.82	12.98
Income Taxable at special rate of tax	0.04	(4.99)
Difference In Tax Due To MAT	2.23	-
Other temporary differences	1.30	(19.59)
Effective income tax rate	22.98%	24.98%
Tax Differences due to interest	5.37	0.29
Income tax reported before Adjustment	153.36	201.52
Income tax reported in the statement of profit and loss	158.73	201.81
	158.73	201.81

c) Reconciliation of deferred tax assets/ Liabilities

Deferred tax relates to the following:

	As at 31st March 2024	As at 31st March 2023
Opening balance as at 1st April	101.94	123.91
Accelerated depreciation for tax purposes	4.06	2.58
Expenses allowed on payment basis	(0.35)	(0.70)
DTA impact on indexatio of land	(1.09)	(0.94)
DTA impact on net movement , Valuation & others	0.24	(22.91)
Total	2.86	(21.97)
Closing balance as at 31st March	104.80	101.94

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Note 39

CONTINGENT ASSET	As at 31st March 2024	As at 31st March 2023
Guarantees given by group's bankers	561.26	365.08
Bills discounted with the group's bankers under Letters of Credit	-	26.21
Claims against the group not acknowledged as debt & disputed in appeals	49.96	35.86
Excise Duty & Service Tax Demand	5.86	19.75
VAT, CST, GST & Entry Tax	17.83	15.17
Income Tax	31.48	17.37
Electricity Duty	11.26	11.26
Energy Development Cess	88.70	80.63
Relinquishment Charges of 156 MW LTA for Kolam Power Plant	120.36	120.36
RPPO Obligation	9.49	-

i) VAT, CST, GST & Entry Tax

Sarda Metals & Alloys Limited

- a) During the financial year 2015-16 Commercial Tax disallowed Input Tax credit of ₹ 3.39 Crore on equipment's of Power Plant and imposed Penalty of ₹ 0.85 Crore . The company has filed appeal challenging disallowance of input tax credit with Commercial Tax Appellate Tribunal. The company has filed a writ petition for stay of recovery proceedings of penalty with the Hon'ble High court of AP which was granted by AP High court.
- b) During the financial year 2018-19 Asst Commissioner has passed order for the Financial years 2014-15 to 17-18 (Up to June 2017) wherein the VAT input credit to the extent of ₹ 1.63 Crore has been disallowed. The Company has filed appeal with Commercial Tax Appellate Tribunal against the order of disallowance of input credit which is pending. The Company has also filed an writ petition before Hon'ble High court of AP which is pending. During the financial year 2019-20 Asst Commissioner has imposed penalty of ₹ 0.42 Crore. Stay has been granted by Hon'ble High court of AP on both demands.
- c) During the financial year 2022-23 Dy Commissioner of Central Tax has disallowed transitional input credit of Education Cess and Secondary & Higher Education Cess of ₹ 0.60 Crore. Further Dy. Commissioner has also imposed penalty of ₹ 0.60 Crore for claiming transitional input credit. The Company has filed an writ petition before Hon'ble High court of AP which is pending.
- d) During the financial year 2023-24 Asst Commissioner has passed order for the Financial years 2017-18 (From July) to 19-20 wherein the GST input credit to the extent of ₹ 2.78 Crore has been disallowed. The Asst Commissioner has also imposed penalty of ₹ 0.28 Crore. The Company has filed appeal before Additional Commissioner (ST) against the order which is pending. Stay has been granted by Addl Commissioner on both demands.

ii) Income Tax

Sarda Metals & Alloys Limited

- a) During the financial year 2014-15, Income tax department has conducted a search operation u/s 132 of Income Tax Act, 1961, covering the block periods from AY 2009-10 to 2014-15. The assessment has been completed by the tax authorities and a demand has been raised for the A.Y. 2012-13 for ₹ 0.87 Crore on account of disallowance of expenditure and addition of forex gain. The company has filed appeal with Commissioner of Income tax (Appeals) which is pending.

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- b) For Assessment year 2015-16 addition of ₹ 7.97 Crore has been made on account of discrepancies in stocks and demand has been raised for ₹ 0.88 Crore after adjustment of TDS and self assessment tax. The company has filed appeal with Income Tax Appellate Tribunal (ITAT). The Income Tax Appellate Tribunal (ITAT) vide its order dated 11.01.2024 restored the matter to the office of CIT(A) with a direction to re-adjudicate the same after affording a reasonable opportunity of being heard to the company. The readjudication process is pending with CIT(A).
- c) For Assessment year 2018-19, addition of ₹ 20.61 Crore has been made on account of difference in arm's length price (ALP) as adopted by the company and tax authorities w.r.t specified domestic transactions of sale of power wherein the company has adopted Tariff prescribed by DISCOMs as Transfer Price of Power for the Captive Consumption and the Tax Authorities have Considered the average of the prices at which power is sold to independent third parties and demand has been raised for Rs.6.45 Crore. The company has filed appeal with Commissioner Appeals and also filed application for rectification of assessment order and granting stay of demand with income tax officer which are pending.

Chattisgarh Hydro Power LLP

Demand of ₹ 3.15 Crore from Income Tax Department for disallowance of deduction claimed u/s 80IA for AY 2022-23. The company has contested the demand.

Sarda Hydro Power LLP

During the FY 2014-15, search & survey operation was conducted in the premises of the Sarda Hydro Power Private Limited u/s 132 & 133A of the Income Tax Act 1961. The Company has been converted to Sarda Hydro Power LLP on dated 05.03.2019. After completion of assessment, Assessing Officer raised demand of ₹ 258633/- related to FY 2014-15, However the Company has contested the demand by filing an appeal to CIT(Appeal). The Management doesn't foresee any liability at this stage.

Sarda Energy Limited

₹ 0.25 Crore (₹ 0.25 Crore), for the Assessment Year 2014-15 & 2015-16 on account of partial disallowances of expenses made by Assessing Office as per order passed under the Income Tax Act, 1961. The company has filed appeal before Commissioner of Income Tax (Appeal) Raipur and the matter is pending.

iii) Electricity Duty

In the case of Sarda Metals & Alloys Limited, Electricity Duty ₹ 11.26 Crore (P.Y. ₹ 11.26 Crore) for the period from January 2013 to March 2017 for sale of Electricity. The company has sought legal opinion from experts and has been advised that the same is not applicable to the company and hence no liability provided.

iv) Energy Development Cess

Energy Development Cess of ₹ 88.70 Crore (P.Y. ₹ 80.63 Crore) net of amount deposited ₹ 2.94 Crore (P.Y. ₹ 2.94 Crore) demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh for the period May 2006 to December 2020. The Honorable High Court of Chhattisgarh has held the levy of Energy Development Cess as unconstitutional vide its Order dated 20th June 2008. The State Govt. has filed a Special Leave Petition before the Honorable Supreme Court.

v) Relinquishment Charges

For Madhya Bharat Power Corporation Limited, Company has made relinquishment of long term open access for transfer of power from 96 MW Rongnichu HEP, East Sikkim under Bulk Power Transmission Agreement with POWERGRID in January 2019 as the plant could not be commissioned as per schedule committed to PGCIL. Due to non transmission of power from the power project, PGCIL's capacity remained stranded. Central Electricity Regulatory Commission (CERC) has issued Order dated 08.03.2019 in Petition No. 92/MP/2015 for determination of relinquishment charges. In pursuance of the said Order, PGCIL (CTU) has imposed a relinquishment charge of

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₹21.83 crore on MBPCL for the stranded capacity vide its letter dated 27.12.2019. Similar relinquishment charges have been levied on many other IPPs as well. Against the above stated CERC Order, MBPCL along with Association of Power Producers (APP) and other entities have filed appeal to APTEL (Appellate Tribunal for Electricity) for review of CERC order.

Subsequently, the company had re-applied for Open Access for transmission of power from 113 MW RHEP and Long Term Access has been granted to it w.e.f 31st January 2021. As such the period (12 years) for which the capacity of transmission line will remain stranded will get reduced and the liability calculated by PGCIL will get proportionally reduced. (even if the appeal before APTEL gets rejected).

- vi) In the case of Sarda Metals & Alloys Limited, the company has received demand from Hon'ble APERC to the tune ₹16.47 Crore towards failure to meet RPP0 obligations for FY 2017-18 and FY 2018-19, however an amount to the extent of ₹ 6.98 Crore has already been provided in books. The demand has been raised based on trajectory of RPP0 % as prescribed for each year. However company has relied on clarificatory orders dated 01.02.2019 and 01.10.2019 of the Ministry of Power (MoP) which states that the RPP0 of the Captive Power Plants (CPPs) commissioned before 01.04.2016 shall be capped at the level as mandated by the state commissions for the year 2015-16. Accordingly company has filed the Petition with the Hon'ble APERC for capping the RPP0 obligation in accordance with the MoP clarificatory orders and also for the purpose of carry forward of RPP0 obligation for the FYs 2017-18 to FY 2022-23 to the subsequent 5 financial years commencing from 2024-25 to 2029-30. It is pertinent to mention that there are precedents where the obligated entities have been allowed carry forward of RPP0 obligations and also various state commissions have also taken cognisance of MoP clarificatory orders and have capped the RPP0 obligations of the CPPs commissioned prior to April 2016 at the level of RPP0 obligation for FY 2015-16.

40 CONTINGENT ASSETS

Sarda Energy & Minerals Limited

- i) The Company has various pending insurance claims in lieu of machine break down adding up to ₹ 0.50 Crore (PY ₹ NIL) as on 31st March 2024.
- ii) The Company has claimed refund of ₹ 6.30 Crore (PY ₹ NIL) Vikas Upkar and Paryavaran Upkar in respect of its coal mines at Gare Palma IV/7.
- iii) Claims by the Company not acknowledged as assets - ₹ 0.91 Crore.

Madhya Bharat Power Corporation Ltd.

- i) The Company has lodged a claim of approx ₹ 6.59 crore with the Insurance Company against loss of approach road due to flash flood in the month of October 2021. Company had submitted required details to Insurance Company. In view of the pending assessment by the Insurance Company, the amount receivable from insurance company has not been recognized.
- ii) The Company has intimated a claim of approx ₹ 2.50 crore to the Insurance Company against loss of damage to Transmission Line Tower due to the flash flood in the month of October 2023. Claim is in documentation phase. In view of the pending assessment by the Insurance Company, the amount receivable from insurance company has not been recognized.

41 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial liabilities comprise of loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group companies also enter into

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as on 31st March 2024

derivative contracts.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market Risk-
- Interest rate risk
- Currency risk
- Price risk

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

CREDIT RISK

The Group is exposed to credit risk as a result of the risk of counterparties' non performance or default on their obligations. The Group's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Group monitors and limits its exposure to credit risk on a continuous basis. The Group's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Group periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Group measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Trade receivables	101.17	182.02
Loans	487.00	300.03
Bank, cash and cash equivalents	767.69	372.06

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

Impairment losses

	As at 31st March 2024	As at 31st March 2023
Trade receivables (measured under life time expected credit loss model)		
Opening balance	3.65	3.54
Provided during the year	(0.02)	0.11
Reversal of provision	-	-
Unwinding of discount	-	-
Closing balance	3.63	3.65

Ageing analysis*

	As at 31st March 2024	As at 31st March 2023
Upto 3 months	101.31	181.71
3-6 months	0.49	3.74
More than 6 months	3.01	0.22
	104.81	185.67

*Gross trade receivables i.e. not including provision for doubtful debts/impairment

No significant changes in estimation techniques or assumptions were made during the reporting period

LIQUIDITY RISK

The Group is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Group's liquidity risk, the Group's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Group's reputation.

Financing arrangements

The Group has access to following undrawn borrowing facilities and liquid investments at the end of the reporting period:

	As at 31st March 2024	As at 31st March 2023
Term Loan - IDBI/ IREDA	107.88	161.31
Cash Credit facility	204.22	233.16
Current investments	557.97	210.57

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

As at 31st March 2024	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	307.97	556.06	502.21	1,366.24
Trade payables	172.64	-	-	172.64
Security deposits	9.67	4.14	-	13.81
Other financial liabilities	136.52	17.04	-	153.56
	626.80	577.24	502.21	1,706.25

As at 31st March 2023	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	343.93	1,063.04	-	1,406.97
Trade payables	134.71	-	-	134.71
Security deposits	22.93	4.05	-	26.98
Other financial liabilities	135.12	10.61	-	145.73
	636.69	1,077.70	-	1,714.39

INTEREST RATE RISK

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

MARKET RISK

a) Interest rate risk exposure

	As at 31st March 2024	As at 31st March 2023
Variable rate borrowings	1,249.57	1,406.97
Fixed rate borrowings	116.66	-

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	2023-24	2022-23
Interest rates - increase by 70 basis points	(5.48)	(3.05)
Interest rates - decrease by 70 basis points	5.48	3.05

CURRENCY RISK

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

Notes to the Consolidated Financial Statements

as on 31st March 2024

The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

(currency in crore)

	Currency	2023-24	2022-23
Bank Loans	USD	-	(0.05)
Trade & Other Payables	USD	(0.43)	(0.36)
	AED	(0.89)	(0.78)
Investment held for Trading	USD	1.49	1.45
	AED	0.88	1.02
Investment in associate	USD	0.49	0.28
Trade & Other Receivables	USD	0.67	0.64
	AED	0.01	0.00
Cash & Cash Equivalents	USD	0.24	0.00
	AED	0.01	0.01

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

	Impact on profit after tax	
	2023-24	2022-23
Foreign exchange rates - increase by 1%	0.02	0.02
Foreign exchange rates - decrease by 1%	(0.02)	(0.02)

PRICE RISK

The entity is exposed to equity price risk, which arised out from FVTPL quoted equity shares & mutual funds and FVTOCI unquoted equity shares. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

Sensitivity Analysis for Price Risk

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments and mutual funds classified as at FVTPL, the impact of a 2% increase in the index at the reporting date on profit & loss would have been an increase of ₹ 10.76 Crore (2022-23: ₹7.06 Crore); an equal change in the opposite direction would have decreased profit and loss. For equity investments classified as at FVTOCI, the impact of a 2 % increase in the index at the reporting date on profit & loss would have been an increase of ₹ 0.95 Crore (2022-23): ₹0.67 Crore); an equal change in the opposite direction would have decreased profit and loss.

42 CAPITAL MANAGEMENT

The Group's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities and secured debentures
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.

Notes to the Consolidated Financial Statements

as on 31st March 2024

- safeguard its ability to continue as a going concern and
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Group's capital management, capital includes issued capital and all other equity reserves. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Group manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Total liabilities	1,366.24	1,406.97
Less : Cash and cash equivalent	104.05	7.86
Net debt	1,262.19	1,399.11
Total equity	3,994.15	3,510.32
Net Debt to Equity ratio	0.32	0.40

The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

43. Financial instruments

A. Accounting classification and fair values

31st March, 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotized Cost*	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Bank, cash and cash equivalents	-	-	767.69	767.69				-
Non-current investments								
Unquoted Equity Investments		47.58	52.93	100.51		47.58		47.58
Quoted Mutual Funds	0.35			0.35	0.35			0.35
Current investments								
Quoted Investments	388.93			388.93	388.93			388.93
Investments held for trading	144.10			144.10		144.10		144.10
Financial Asset: Loans & others	-		574.65	574.65				-
Trade and other receivables	-		101.17	101.17				-
	533.38	47.58	1,496.44	2,077.40	389.28	191.68	-	580.96
Financial liabilities								
Long term borrowings			1,058.27	1,058.27				-
Short term borrowings			307.97	307.97				-

Notes to the Consolidated Financial Statements

as on 31st March 2024

(₹ in Crore)

31st March, 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotized Cost*	Total	Level 1	Level 2	Level 3	Total
Trade and other payables			172.61	172.61				-
Other financial liabilities	-		167.37	167.37	-			-
	-	-	1,706.22	1,706.22	-	-	-	-

31st March, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotized Cost*	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Bank, cash and cash equivalents	-	-	372.06	372.06				-
Non-current investments								
Unquoted Equity Investments	-	33.55	35.89	69.44		33.55		33.55
Quoted Mutual Funds	0.25		-	0.25	0.25			0.25
Current investments								
Quoted Investments	210.58	-	-	210.58	210.58			210.58
Investments held for trading	142.01			142.01		142.01		142.01
Financial Asset: Loans & others	-		412.15	412.15	-			-
Trade and other receivables			182.02	182.02				-
	352.84	33.55	1,002.12	1,388.51	210.83	175.56	-	386.39
Financial liabilities								
Long term borrowings			1,063.04	1,063.04				-
Short term borrowings			343.93	343.93				-
Trade and other payables			134.71	134.71				-
Other financial liabilities	-		172.71	172.71	-			-
	-	-	1,714.39	1,714.39	-	-	-	-

* The carrying value and the fair value approximates.

B. Measurement of fair values

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Valuation techniques

The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing from banks and other financial institutions and other similar items approximate their carrying value largely due to short term maturities of these instruments.

Notes to the Consolidated Financial Statements

as on 31st March 2024

- 2) Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
 - 3) The fair values of the quoted instruments and mutual funds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.
 - 4) The fair values of the unquoted equity shares designated at FVTOCI have been estimated by using the most recent purchase price of such shares. (level 2)
- 44 The Group has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.
 - 45 All the transactions are recorded in the books of accounts and there was no income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also there was no previously unrecorded income and related assets which has been recorded in the books of account during the year.
 - 46 No proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - 47 The group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, the Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - 48 The Group has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 - 49 The Group has neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.
 - 50 No scheme of compromise or arrangement has been proposed between the group & its members or the group & its creditors under section 230 of the Companies Act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the Act is not applicable.
 - 51 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.
 - 52 Exceptional items of ₹ 2.91 Crore (P.Y. NIL), represents loss of transmission line tower due to flood in Hydro Power Plant in Sikkim and damage of low pressure pipe line due to land slide at Uttarakhand small hydro power plant.

Notes to the Consolidated Financial Statements

as on 31st March 2024

53 DISTRIBUTION MADE AND PROPOSED

(₹ in Crore)

	As at 31st March 2024	As at 31st March 2023
Dividends on equity shares declared and paid:		
Final dividend paid during the year ended on 31st March 2024: ₹ 1.50 per share (31st March 2023: ₹ NIL per share)	52.86	-
Interim dividends on Equity shares:		
Interim dividend for the FY 2023-24 : ₹ NIL per share declared and paid before the date of financial statements were approved for issue. (FY 2022-23 : ₹ NIL per share)	-	-
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31st March 2024: ₹ 1/- per share (31st March 2023: ₹ 1.50 per share)	35.24	52.86

54 Previous year figures have been regrouped/rearranged wherever necessary.

Signatures to Notes 1 to 54

The Accompanying Notes Are Forming Integral Part Of Financial Statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For O.P.Singhania & Co.

(ICAI FRN 002172C)

Chartered Accountants

SANJAY SINGHANIA

Partner

Membership No. 076961

RAIPUR

DATED : 25th May, 2024

K. K. SARDA

Chairman & Managing Director

DIN: 00008170

RAIPUR

DATED : 25th May, 2024

P. K. JAIN

Wholetime director & CFO

DIN: 00008379

MANISH SETHI

Company Secretary

ACS 18069

Notes to the Consolidated Financial Statements

as on 31st March 2024

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associate/ Joint Ventures.

(₹ in Crore)

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Sarda Energy & minerals Limited	58.97	2355.22	84.12	440.84	8.50	0.60	83.25	442.11
Subsidiary								
Indian								
SMAL - Sarda Metals & Alloys Limited	9.90	395.28	2.04	10.67	(8.72)	(0.61)	1.89	10.05
SEL - Sarda Energy Limited	2.42	96.79	0.74	3.88	-	-	0.73	3.88
CHPPL - Chhattisgarh Hydro Power LLP	5.50	219.62	3.90	20.46	0.06	0.00	3.85	20.47
MBPCL - Madhya Bharat Power Corporation Limited	13.59	542.68	1.94	10.14	(0.38)	(0.03)	1.90	10.11
PPL - Parvatiya Power Limited	1.14	45.61	(0.12)	(0.63)	62.41	4.40	0.71	3.77
SHPPL- Sarda Hydro Power LLP	0.01	0.47	(0.00)	(0.01)	-	-	(0.00)	(0.01)
SRE LLP - Shri Ram Electricity LLP	0.10	3.81	0.01	0.03	-	-	0.01	0.03
NREPL- Natural Resources Energy Private Limited	(0.02)	(0.88)	(0.04)	(0.22)	-	-	(0.04)	(0.22)
Kalyani-Kalyani Coal Mining Private Limited	0.64	25.49		0.69				
Foreign								
SEMHKL - Sarda Energy & Minerals Hongkong Limited	4.98	199.03	5.49	28.78	-	-	5.42	28.78
SGV - Sarda Global Venture Pte. Limited	0.13	5.36	(0.32)	(1.66)	(0.00)	(0.00)	(0.31)	(1.66)
SGT-Sarda Global Trading DMCC	0.00	0.17	(1.03)	(5.38)	-	-	(1.01)	(5.38)
Joint Venture-Indian								
RICL- Raipur Infrastructure Company Limited	-	-	0.06	0.34	(17.86)	(1.260)	(0.17)	(0.92)
MSCCL- Madanpur South Coal Company Limited	-	-	0.00	0.02	0.00	0.00	0.00	0.02
Associates - Indian								
Nirjhar Commodities Private Limited			0.01	0.04	0.00	0.00	0.01	0.04
Associates - Foreign								
PT. Tagadaya Minergy			2.87	15.02	(3.77)	(0.27)	2.78	14.75
Minority Interest in all subsidiaries	2.64	105.52	0.20	1.06	59.76	4.21	0.99	5.27
	100.00	3,994.17	99.87	524.047	100.00	7.04	100.01	531.10

Notes to the Consolidated Financial Statements

as on 31st March 2024

Statement pursuant to section 129(3) of the Companies Act, 2013 read with rule 5 part A of Companies (Accounts) Rules, 2014 in respect of the Subsidiary Companies and Joint venture

Summary of Financial Information of Subsidiary Companies As on 31st March, 2024

(₹ in Crore)

S. No.	Particulars/ Name of the Subsidiary Company	SEMHLK	SGV	SGT	SMAL	CHP LLP	PPL	MBPCL	SEL	SRE LLP	SHPLLP	KCMPL	NREPL
		Hongkong	Singapore	Dubai	India	India	India	India	India	India	India	India	India
1	Financial year of the Subsidiary Company/ LLP ended on	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024
2	Date from which it became Subsidiary Company/ LLP	17th September 2007	12th June, 2008	6th March, 2018	15th June, 2009	31st March, 2010	31st March, 2010	31st March, 2010	31st March, 2010	1st March, 2011	21st September 2010	2nd May 2023	10th February 2015
3	Capital	0.56	28.30	1.88	21.02	219.57	1.54	243.44	0.72	3.61	0.51	24.80	0.01
4	Reserves & Surplus	198.47	(22.94)	(1.71)	374.26	0.05	44.08	299.24	96.07	0.21	(0.04)	0.69	(0.89)
5	Total Assets	199.18	41.22	20.29	908.08	445.87	74.07	1,601.30	148.52	4.45	0.93	25.80	2.76
6	Total Equity	199.03	5.36	0.17	395.28	219.62	45.61	542.68	96.79	3.81	0.47	25.49	(0.88)
7	Investments	124.12	-	19.99	-	-	46.12	-	114.25	-	-	-	-
8	Turnover	29.70	-	(1.92)	941.79	39.90	5.90	278.96	14.28	0.09	0.14	0.96	3.33
9	Profit before Taxation	28.80	13.36	(5.38)	16.96	22.36	(1.81)	11.98	3.92	0.08	(0.01)	0.95	(0.59)
10	Provision for Taxation	1.57	-	-	6.30	1.90	(0.58)	-	0.04	0.03	-	0.26	(0.15)
11	Profit After Taxation	28.78	13.36	(5.38)	10.67	20.46	(1.24)	11.98	3.91	0.06	(0.01)	0.69	(0.44)
12	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
13	% of Shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	51.00%	84.65%	100.00%	51.00%	60.00%	100.00%	51.00%
14	Whether commenced operation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rates as on 31.03.2024, i.e. 1US\$ = ₹ 83.41 [SGV and SEMHLK] and 1AED = ₹ 22.67[SGT]

Notes :

- 1 SEMHLK - Sarda Energy & Minerals Hongkong Limited
- 2 SGV - Sarda Global Venture Pte. Limited
- 3 SGT-Sarda Global Trading DMCC
- 4 SMAL - Sarda Metals & Alloys Limited
- 5 SEL - Sarda Energy Limited
- 6 CHPPL - Chhattisgarh Hydro Power LLP
- 7 MBPCL - Madhya Bharat Power Corporation Limited
- 8 PPL - Parvatiya Power Limited
- 9 SHPLLP- Sarda Hydro Power LLP
- 10 SRE LLP - Shri Ram Electricity LLP
- 11 KCMPL- Kalyani Coal Mining Private Limited
- 12 NREPL- Natural Resources Energy Private Limited

Notes to the Consolidated Financial Statements

as on 31st March 2024

Statement pursuant to section 129(3) of the Companies Act, 2013 read with rule 5 part B of Companies (Accounts) Rules, 2014 in respect of the Associates

Summary of Financial Information of Associates As on 31st March, 2024

(₹ in Crore)

S. No.	Particulars/Name of the Joint Ventures	PT. Tigadaya Minergy, Indonesia	Nirjhar Commodities Pvt.Ltd., India
1	Financial year of the Subsidiary Company/LLP ended on	As at 31st March 2024	As at 31st March 2024
2	Share of associates held by the company on the year end		
	No.	52,733	4900
	Amount of Investment	41.10	0.04
	Extend of Holding %	49.00%	49.00%
3	Networth	47.22	(0.37)
4	Profit/(Loss) for the year		
	i. Considered in Consolidation	15.02	0.04
	ii. Not Considered in Consolidation	-	-
5	Whether commenced operation	Yes	No

Statement pursuant to section 129(3) of the Companies Act, 2013 read with rule 5 part B of Companies (Accounts) Rules, 2014 in respect of the Subsidiary Companies / associates/ Joint venture

Summary of Financial Information of Joint Ventures As on 31st March, 2024

S. No.	Particulars/Name of the Joint Ventures	RICL India	MSCCL India
1	Financial year of the Subsidiary Company/LLP ended on	As at 31st March 2024	As at 31st March 2024
2	Share of Joint Ventrues held by the company on the year end		
	No.	1,30,800	1,30,742
	Amount of Investment	6.15	5.64
	Extend of Holding %	33.33%	20.63%
3	Networth	18.46	5.64
4	Profit/(Loss) for the year		
	i. Considered in Consolidation	(0.92)	0.02
	ii. Not Considered in Consolidation	-	-
5	Whether commenced operation	Yes	No

Notes :

- 1 RICL- Raipur Infrastructure Company Limited
- 2 MSCCL- Madanpur South Coal Company Limited

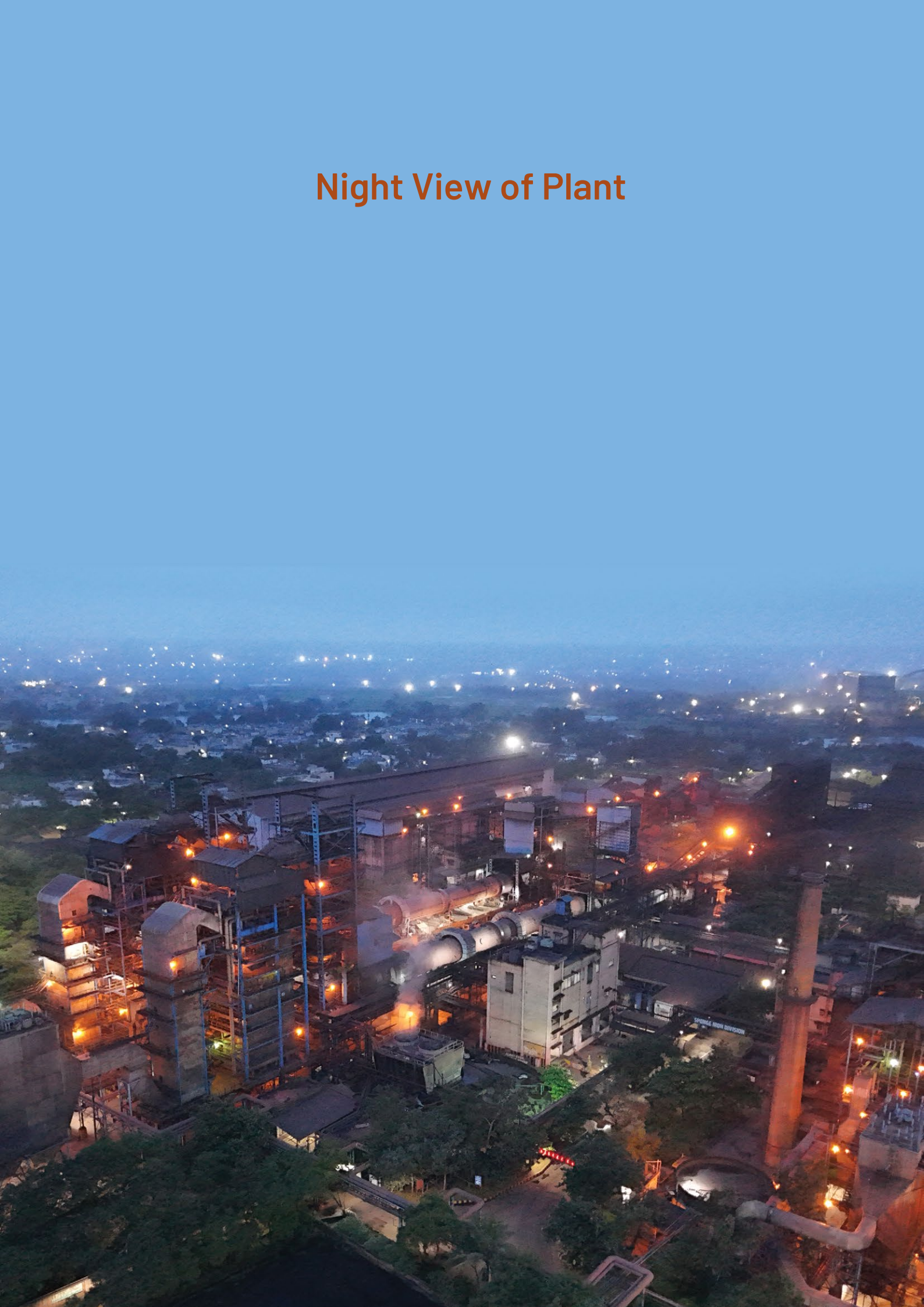
FOR AND ON BEHALF OF THE BOARD

K. K. SARDA
Chairman & Managing Director
DIN: 00008170

P. K. JAIN
Wholtime director & CFO
DIN: 00008379

MANISH SETHI
Company Secretary
ACS 18069

Night View of Plant





Sarda Energy & Minerals Limited
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