

**Independent Auditor's Report**

**To the Members of Sambhv Steel Tubes Limited**  
**(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)**

**Report on the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of **Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 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 then ended, and notes to the Ind AS financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 March 31, 2024, the profit and 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 Ind AS financial statements 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Ind AS financial statements and our auditor's report thereon.



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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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.

### **Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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



- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Company has an 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.



## Other Matters

The comparative financial information of the Company for the year ended March 31, 2023 and the transition date opening balance sheet as at 01 April, 2022 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor who have issued an unmodified audit report dated July 28, 2023 and July 30, 2022 respectively have been furnished to us by the management and which have been relied upon by us for the purpose of issuing the report on the financial statements as adjusted for the differences in the accounting principles adopted by the company on transition to Ind AS which has been audited by us. Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "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, 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 Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.





- g) With respect to the adequacy of the internal financial controls with reference to financial statement 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 with reference to the Ind As financial statement.
- h) The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company for the year ended on March 31, 2024.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as on March 31, 2024, on its financial position in its Ind AS financial statements. Refer Note 40 to the Ind AS 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 were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (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.



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- v. The company has neither declared nor paid any dividend during the year. Accordingly, reporting under Sub clause (f) of the Rule 11 is not applicable to the company.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on April 1, 2023, has used an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature was not enabled at the database level of accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with on accounting software where this feature is enabled.(refer note 50 of the financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, thus 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 March 31, 2024

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 000756N/N500441



**Vijay Kumar**

Partner

Membership Number: 092671

UDIN: 24092671BKFB RJ7965

Place: New Delhi

Date: September 12, 2024

**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 Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private 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 and relevant details of right-of-use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The property, plant and equipment and right-of-use assets have been physically verified by the management according to the program of periodical verification in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment 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 (including right-of-use assets) and intangible assets during the year.
  - (e) Based on the information and explanation provided to us, no proceedings have been initiated during the year or are pending against the Company as of March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) We have been explained by the management that the inventory (except stock lying with the third parties and in transit, for which confirmations have been received/ material received) has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. According to information and explanations given to us, the material discrepancies, if any, noticed on such physical verification of inventory as compared to book records were properly dealt



with within the books of accounts. Discrepancies of 10% or more in the aggregate for each class of inventory were not noticed.

(b) According to the information and explanations given to us, the company has been sanctioned working capital limits against security of current assets in excess of five crore rupees, in aggregate, from banks. Based upon the audit procedure performed by us, the quarterly returns or statements filed by the company with such banks are materially in agreement with the books of account of the Company.

iii. The Company has not provided any guarantee or security, and granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investment in and granted unsecured advances in the nature of loan to companies during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

	Advances in the nature of loan (Amount in INR Millions)
Aggregate amount granted/ provided during the year	
-Others	271.00
Balance outstanding as at balance sheet date in respect of above cases	
-Others	-

(b) The investments made and the conditions of all above mentioned advances in the nature of loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.

(d) In respect of loans granted by the Company, there is no amount overdue outstanding as at the balance sheet date.

(e) There were no advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to the same parties to settle the existing overdue advances in nature of loan.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.



- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans (Advances in the nature of loan) and investments made by it. The Company has not granted any security or provided guarantees under Section 185 of the Companies Act 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or deemed deposits from the public within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the reporting under Clause 3 (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by Central Government for the maintenance of the cost records under section 148(1) of the Act in respect to the Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have however not made a detailed examination of the said records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examinations, of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident fund, employees' state insurance, income tax, custom duty, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further there were no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2024.
- (b) According to the records of the Company, statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues which have not been paid on account of any dispute, are as follows:

S.No.	Nature of Statue	Nature of Dues	Amount (INR In Millions)	Financial Year to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Demand as per Traces Portal	1.27	2017-2018, and 2020-2021	Assistant Commissioner of Income Tax / Deputy Commissioner of Income Tax (TDS)
2	Income Tax Act, 1961	Income Tax Demand	0.16	2020-2021	Assistant Director of Income Tax
3	Income Tax Act, 1961	Income Tax Demand	3.02	2020-2021	Joint Commissioner (Appeals)
4	Goods and Service Tax Act, 2017	GST Demand	0.66	2021-2022	Joint Commissioner of State Tax (Jabalpur, M.P.)





- 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) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted on repayment of loans or other borrowings or in the payment of Interest thereon to any lender.
- (b) According to the information and explanations given to us and based on our examination of records, the company has not been declared a willful defaulter by any bank or financial institution or other lender government or any government authority.
- (c) According to the information and explanation given to us, the company has utilized the loans for the purpose they were taken.
- (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) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Further, the company does not have any associates or joint ventures.
- (f) According to the information and explanation given to us and based on our examination of records, the company has not raised loans during the year on the pledge of securities held in its Subsidiaries. Further, the company does not have any associates or joint ventures.
- x. (a) According to the information and explanation given to us and based on our examination of records, 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) The Company has made private placement of shares during the year and according to the information and explanation given to us and based on our examination of records, the Company has complied with the requirement of section 42 and section 62 of the Companies Act 2013. The amount raised that remains unutilized during the year has been parked in the bank account in the form of fixed deposits.
- xi. (a) According to the information and explanation given to us and based on our examination of records, no material 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 audit report.



(c) According to the information and explanation given to us and based on our examination of records, no whistle blower complaints received by the Company during the year.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable Accounting Standards.

In our opinion and according to the information and explanation given to us, the provisions of Section 177 of the Act are not applicable to the Company. Accordingly, Clause 3 (xiii) of the order to the extent it relates to Section 177 is not applicable to the Company

- xiii. (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. According to the information and explanation given to us and based on our examination of records, during the year the Company has not entered any non-cash transactions with its Directors or persons connected with its directors, therefore provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The provisions of section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3 (xvi) (a), (b), (c), and (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. The previous auditors of the company have resigned during the year, and we have taken in to consideration the issues, objections or concerns raised by the outgoing auditors. Also, we have obtained no objection from the previous statutory auditors and no issues have been informed to us.
- 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 Ind AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes 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



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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. According to the information and explanation given to us and on the basis of our examination of the records of the Company, provisions of section 135 are not applicable to the company during the current financial year. Accordingly, reporting under Clause 3(xx) (a)&(b) of the Order is not applicable to the Company.

For **S S Kothari Mehta & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 000756N/N500441



**Vijay Kumar**

*Partner*

Membership Number: 092671

UDIN: 24092671BKFB RJ7965



Place: New Delhi

Date: September 12, 2024

### **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private 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 with reference to financial statements of **SAMBHV STEEL TUBES LIMITED (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)** (“the Company”) as of March 31, 2024, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on internal financial controls with reference to financial statements 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal 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 Ind AS financial statements, whether due to fraud or error.



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

**Meaning of Internal Financial Controls with reference to financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S S Kothari Mehta & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 000756N/N500441



**Vijay Kumar**

*Partner*

Membership Number: 092671

UDIN: 24092671BKFB RJ7965

Place: New Delhi

Date: September 12, 2024





**DIRECTORS' REPORT TO THE MEMBERS**

Dear Members,

Your Directors have pleasure in presenting the 07<sup>th</sup> Annual Report on the business and operations of the Company for the year ended on 31<sup>st</sup> March, 2024 together with audited financial statements and the report of the Directors and the auditors thereon.

**1. FINANCIAL RESULTS:**

During the year under review, performance of the company is as under:

(Amount in Rs. Millions)

PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operation	12,857.57	9,372.20
Other Income	36.18	17.84
<b>Total Income</b>	<b>12,893.75</b>	<b>9,390.04</b>
Finance Cost	318.15	218.16
Depreciation and Amortization Expenses	209.10	161.51
Employee Benefits Expenses	571.33	414.61
Other Expenses	1,485.68	817.58
<b>Profit before Tax</b>	<b>1,107.65</b>	<b>811.17</b>
Total tax expenses	283.26	207.34
<b>Net Profit After Tax</b>	<b>824.39</b>	<b>603.83</b>

**SAMBHV STEEL TUBES LIMITED**

(Formerly Known as Sambhvh Steel Tubes Private Limited & Sambhvh Sponge Power Private Limited)

CIN : U27320CT2017PLC007918

www.sambhvh.com | info@sambhvh.com

**Registered Office:**

Office No. 501 to 511, Harshit Corporate, Amanaka, Raipur, Chhattisgarh India - 492001

Tel: +91-771-2222360 | +91-7024116780

Toll-free: 1800 208 9990

**Manufacturing Units:**

Sarora, Tilda, Raipur (C.G.)  
Pin: 493114 Tel: +91-771-2222358

Kuthrel, Raipur (C.G.)  
Pin: 493116 Tel: +91-771-2222359

**2. STATE OF COMPANY AFFAIRS AND FUTURE OUTLOOK:**

The Board of Directors of your Company is optimistic about the future prospects of the Company. Your directors are of the view that the progressive growth of the company will continue in the subsequent financial year and are hopeful for the bright future prospects. The financial result as reflected in the Statement of Profit & Loss of the company is self-explanatory.

**3. CHANGES IN NATURE OF BUSINESS:**

There is no change in the nature of business, as carried on by the Company.

**4. DIVIDEND:**

In the view of the requirements of own funds for expansion of business of the company, the directors of the company does not recommended dividend for the Financial Year Ended on 31<sup>st</sup> March, 2024.

**5. TRANSFER TO RESERVES:**

The Company has not transferred any amount to reserves.

**6. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial year i.e. 31<sup>st</sup> March, 2024, to which the Financial Statements relate and the date of the report, if any, disclosed in separate respective head.

**7. AUTHORISED SHARE CAPITAL:**

During the Financial Year 2023-24, the Company has increased its Authorised Share Capital in the following manner:-

- **Rs.225.00 Millions to Rs.250.00 Millions**, by creation of additional **25.00 Millions** Equity Shares of **Rs. 10/-** (Rupees Ten only) each in the Annual General Meeting held on **30<sup>th</sup> September, 2023**, and
- **Rs. 250.00 Millions to Rs. 2,500.00 Millions** by creation of additional **2,250.00 Millions** Equity Shares of **Rs. 10/-** (Rupees Ten only) each in the Extra Ordinary General Meeting held on **20<sup>th</sup> February, 2024**.

Further, the Company has increased its Authorised Share Capital from **Rs. 2,500.00 Millions** to **Rs. 10,000.00 Millions**, by creation of additional **750.00 Millions** Equity Shares of **Rs. 10/-** (Rupees Ten only) each in the Extra-Ordinary General Meeting held on **28<sup>th</sup> August, 2024**.

As known to all of us, all the above proposals were duly passed in the General Meeting and it was resolved to alter the Memorandum and Articles of Association. All the formalities regarding alterations have been duly completed.

## **8. ALLOTMENT:**

During the year, the Company has made following allotment of equity Shares:

- Allotment of **18,90,832** Equity Shares of **Rs. 10/-** each per share at a premium of **Rs. 365/-** per share by way of Private Placement on **27<sup>th</sup> October, 2023**.
- Allotment of **12,19,834** Equity Shares of **Rs. 10/-** each per share at a premium of **Rs. 365/-** per share by way of Private Placement on **02<sup>nd</sup> November, 2023**.
- Allotment of **7,10,334** Equity Shares of **Rs. 10/-** each per share at a premium of **Rs. 365/-** per share by way of Private Placement on **06<sup>th</sup> November, 2023**.
- Allotment of **69,900** Equity Shares of **Rs. 10/-** each per share at a premium of **Rs. 365/-** per share by way of Private Placement on **21<sup>st</sup> November, 2023**.
- Allotment of **1,19,000** Equity Shares of **Rs. 10/-** each per share at a premium of **Rs. 365/-** per share by way of Private Placement on **25<sup>th</sup> November, 2023**.
- Allotment of **21,69,01,800** Equity Shares of **Rs. 10/-** each per share by way of Bonus issue in the proportion of 9 equity shares for every 1 equity shares held on **12<sup>th</sup> March, 2024**.

'Due' to the above allotments, the paid up capital has been increased from Rs. 200.90 Millions to Rs. 2410.02 Millions.

#### **9. ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS):**

This is the Company's first financial statements prepared in accordance with Indian Accounting Standards (IND AS). The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2024, the comparative information presented in these financial statements for the year ended March 31, 2023 and March 31, 2022 in the preparation of an opening IND AS Balance Sheet at April 01, 2021 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the counting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP").

#### **10. CHANGE IN NAME OF THE COMPANY:**

During the year, the company has changed its Name from 'Sambhv Sponge Power Private Limited' to 'Sambhv Steel Tubes Private Limited', after obtaining approval of Members in Extra Ordinary General Meeting held on 16<sup>th</sup> January, 2024 and received fresh certificate of Incorporation consequent upon Name Change from the Registrar of Companies, Chhattisgarh dated 22<sup>nd</sup> February, 2024.

#### **11. CONVERSION INTO PUBLIC LIMITED COMPANY:**

The Board of Directors considered that the company should be converted into **Public Company** and the matter was duly considered in Board Meeting and obtained approval of Members in their Extra Ordinary General Meeting held on 24<sup>th</sup> April, 2024, the Company has converted into "Public Company" w.e.f. 24<sup>th</sup> April, 2024 and received fresh Certificate of Incorporation Consequent upon Conversion from 'Private Company' to 'Public Company' from the Registrar of Companies dated 09<sup>th</sup> July, 2024.

#### **12. INITIAL PUBLIC OFFER (IPO)**

The Company has started to work towards its plan to bring an Initial Public Offer of its equity shares which shall be enhancing the value for our stakeholders.

**13. DEMATERIALISATION OF SHARES:**

The company is in the process to convert its shares into Demat form to comply the provision/rules/ regulations of the rule 9A the Companies (Prospectus and Allotment of Securities) Rules, 2014.

**14. ANNUAL RETURN:**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company - <https://sambhv.com/annual-information>.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Particulars of Loans, Guarantees and Investments have been disclosed in the Note No.38 in Financial Statement.

**16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of all contracts or arrangements or any transactions entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013; (if any), were at Arm's Length Price and were in the Ordinary Course of business and details disclosed in the Note No.38 in Financial Statement.

**17. DIRECTORS & KEY MANAGERIAL PERSON:**

**During the financial year 2023-24, following changes in the Board has been made :-**

- ❖ Miss Archi Goel (ACS-60120) Company Secretary has discontinued her services from Company with effect from 15<sup>th</sup> April, 2023, due to personal reason.



- ❖ Miss Trisha Bajpai (ACS-71067) has been appointed as Company Secretary of the Company with effect from 15<sup>th</sup> April, 2023. Further, she discontinued her services from Company with effect from 01<sup>st</sup> January, 2024, due to personal reason.
- ❖ Shri Bhavesh Khetan (DIN: 10249740) has been appointed as Director of the Company in the Extra-Ordinary General Meeting held on 22<sup>nd</sup> July, 2023.
- ❖ Shri Suresh Kumar Goyal (DIN: 00318141), has been resigned from the Directorship of the company w.e.f. 27<sup>th</sup> January, 2024. The Board of Directors of the company appreciates the invaluable services rendered by him during his tenure.
- ❖ Shri Manoj Kumar Goyal (DIN: 02112472) and Shri Ashish Goyal (DIN: 00015315) has been resigned from the Directorship of the company w.e.f. 22<sup>nd</sup> March, 2024. The Board of Directors of the company appreciates the invaluable services rendered by them during their tenure.
- ❖ Shri Suresh Kumar Goyal (DIN: 00318141), has been appointed as Director of the Company in the Extra-Ordinary General Meeting held on 25<sup>th</sup> March, 2024.

Further, following changes in the Board has been made:-

- ❖ Shri Vikas Kumar Goyal (DIN: 00318182), has been appointed as a Managing Director of the company for a period of Five years commencing from 01<sup>st</sup> June, 2024 and ending on 31<sup>st</sup> May, 2029, in the Extra-Ordinary General Meeting held on 30<sup>th</sup> May, 2024.
- ❖ Shri Vikas Kumar Goyal (DIN: 00318182), has been appointed as a Chief Executive Officer (CEO) of the company and Shri Bhavesh Khetan (DIN: 10249740) has been designated as Chief Operating Officer (COO) of the company with effect from 01<sup>st</sup> June, 2024.
- ❖ Shri Suresh Kumar Goyal (DIN: 00318141) has been appointed as a Chairman of Company with effect from 01<sup>st</sup> June, 2024.

- ❖ Mr. Niraj Shrivastava (FCS - 8459) has been appointed as a Whole Time Company Secretary of the Company with effect from 01<sup>st</sup> July, 2024.
- ❖ Ms. Anu Garg has been appointed as a Chief Financial Officer (CFO) of the Company with effect from 01<sup>st</sup> July, 2024.
- ❖ Smt. Nidhi Thakkar (DIN: 07587986), has been appointed as a Non-Executive Independent Director of the Company in an Extra-Ordinary general Meeting held on 12<sup>th</sup> September, 2024 for a period of five years.
- ❖ Shri Kishore Kumar Singh (DIN: 00097156), has been appointed as a Non-Executive Independent Director of the Company in an Extra-Ordinary general Meeting held on 12<sup>th</sup> September, 2024 for a period of five years.
- ❖ Shri Manoj Khetan (DIN: 06395265), has been appointed as a Non-Executive Independent Director of the Company in an Extra-Ordinary general Meeting held on 12<sup>th</sup> September, 2024 for a period of five years.

Shri Bhavesh Khetan (DIN: 10249740), the Director of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

#### **18. MEETINGS OF THE BOARD:**

During the year under review, 43 (Forty Three) Board Meetings were held and details are given as under:

S.NO	DATE	NO. OF DIRECTORS PRESENT	S.NO.	DATE	NO. OF DIRECTORS PRESENT
1.	01/04/2023	4	23.	27/09/2023	5
2.	06/04/2023	4	24.	10/10/2023	5
3.	12/04/2023	4	25.	13/10/2023	5
4.	15/04/2023	4	26.	21/10/2023	5
5.	20/04/2023	4	27.	27/10/2023	5
6.	29/04/2023	4	28.	01/11/2023	5
7.	10/05/2023	4	29.	02/11/2023	5

8.	15/05/2023	4	30.	06/11/2023	5
9.	23/06/2023	4	31.	07/11/2023	5
10.	28/06/2023	4	32.	21/11/2023	5
11.	30/06/2023	4	33.	25/11/2023	5
12.	01/07/2023	4	34.	25/12/2023	5
13.	24/07/2023	4	35.	01/01/2024	5
14.	28/07/2023	5	36.	10/01/2024	5
15.	01/08/2023	5	37.	27/01/2024	4
16.	04/08/2023	5	38.	17/02/2024	4
17.	16/08/2023	5	39.	23/02/2024	4
18.	21/08/2023	5	40.	12/03/2024	4
19.	01/09/2023	5	41.	22/03/2024	2
20.	12/09/2023	5	42.	26/03/2024	3
21.	23/09/2023	5	43.	31/03/2024	3
22.	26/09/2023	5			

#### **19. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:**

- ❖ The Company has incorporated a Wholly Owned Subsidiary on 18<sup>th</sup> December, 2023 as M/s Sambhv Green Steel Private Limited (SGSPL) having CIN-U24100DL2023PTC423972. This investment was sold on 20<sup>th</sup> March, 2024. There are no other transactions in the SGSPL. The management has assessed this investment as an immaterial investment and accordingly consolidated financial statements have not been prepared. The financial position of the company consists only of this investment on the date of purchase and sale of such equity shares.
- ❖ The Board of Directors has decided to make investment in Sambhv Tubes Private Limited having CIN-U27209CT2020PTC010822 by way of acquisition of shares and Sambhv Tubes Private Limited will be the "Wholly Owned Subsidiary" of the Company under the provisions of the Companies Act, 2013.
- ❖ The Board of Directors intends to enter Energy Supply Agreement ("ESA"), Investment agreement ("SPA & SHA"), and Performance Incentive agreement ("PIA") with Clean Max Enviro Energy Solutions Pvt. Ltd. ("Clean Max") having CIN-U93090MH2010PTC208425, for long-term purchase of renewable power from Captive Generating Plant ("CGP") which has to be developed, owned, operated and maintained by Clean Max ("Developer"). After successful of execution of these agreements the Sambhv Steel Tubes Limited will acquire 26% shares in "Clean Max OPIA Pvt. Ltd." (SPV) and for that purpose Term sheet has been signed on 08<sup>th</sup> July, 2024.

**20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

**1. Conservation of Energy:**

- a. The steps taken or impact on conservation of energy:-

The Company is putting continues efforts to reduce the consumption of energy and maximum possible saving of energy.

- b. The steps taken by the Company for utilizing alternate sources of energy:-

The Company has used alternate source of energy, whenever and to the extent possible.

- c. The capital investment on energy conservation equipments:- NIL

**2. Technology Absorption:**

- a. The effort made towards technology absorption:-

No specific activities have been done by the Company.

- b. The benefits derived like product improvement, cost reduction, product development or import substitution:-

No specific activity has been done by the Company

- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:- NA

- d. The expenditure incurred on Research & Development:- NIL

**3. Foreign Exchange Earnings and Outgo:**

The details of foreign exchange earnings and outgo, as required by the Companies (Accounts) Rules, 2014, during the year under review are as follows:

(Amount in Rs. Millions)

Particulars	FY 2023-24
Foreign exchange earnings	10.36
Foreign exchange outgo	985.51

**21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the Company and its future operations.

**22. SECRETARIAL STANDARDS:-**

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

**23. CORPORATE SOCIAL RESPONSIBILITY:**

**i. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Board constituted Corporate Social Responsibility Committee consists of Three Executive Directors on 02<sup>nd</sup> April, 2019. The detailed composition of the members of the Corporate Social Responsibility Committee at present is given below:

NAME	DESIGNATION
Mr. Suresh Kumar Goyal	Chairman (Director)
Mr. Vikas Kumar Goyal	Member (Director)
Mr. Ashish Goyal*	Member (Director)

The Committee met two times during the year 2023-2024 and the attendance of the members at these meetings was as follows:

Name of the Member	Designation	Attendance at the Corporate Social Responsibility Committees held on	
		10/04/2023	29/03/2024
Mr. Suresh Kumar Goyal	Chairman (Executive Director)	Present	Present
Mr. Vikas Kumar Goyal	Member (Executive Director)	Present	Present
Mr. Ashish Goyal*	Member (Executive Director)	Present	NA



\* Cessation of Mr. Ashish Goyal w.e.f. 22/03/2024, from directorship of the company.

**ii. CSR COMMITTEE'S RESPONSIBILITY STATEMENT:**

CSR Committee hereby states that the implementation and monitoring of CSR activities, was in compliance with CSR objectives and Policy of the Company.

**iii. ANNUAL REPORT ON CSR ACTIVITIES:**

Your Company is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns including healthcare, environmental sustainability, promoting education, promoting sports and other rural development activities.

In pursuance of our vision that we desire to be a Company which society wishes to exist, we are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavor to positively impact and influence the Society for its sustainable development.

The Annual Report on CSR activities initiated and undertaken by the Company during the year under review is annexed herewith as an Annexure-"A".

**24. RISK MANAGEMENT POLICY:**

With regard to risk management policy, the risk pertaining to business of the Company is discussed by the board of Directors at the Board Meetings on the regular basis. Further, the Company need not required to formulate any specified risk management policy.

**25. DEPOSITS:**

During the year, Company has not accepted or renewed any deposits from the public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under hence information regarding outstanding deposits is not required.

During the year, the company has accepted Unsecured Loan from Members in accordance with the Section 73 of the Companies Act, 2013.

During the year, the company proposed to convert itself into **Public Limited Company**, however, Public Company cannot invite or accept or renew unsecured Deposits from Members and hence, the company has decided to pay off Unsecured Loan accepted from **Members** till date by approval of members.

#### **26. LOAN FROM DIRECTORS AND DIRECTORS RELATIVES:**

During the year; the Company has accepted unsecured Loan from Directors and relatives of Directors of the Company and the Company has received declarations from them that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others.

#### **27. PARTICULARS OF EMPLOYEES:**

The information pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees who are in receipt of remuneration exceeding Rs. 8,50,000/- per month or Rs. 1,02,00,000/- per annum is attached in **Annexure-"B"**.

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

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state –

- a) That in the preparation of Annual Accounts, the mandatory Accounting Standards have been followed along with proper explanation relating to material departures;
- b) That proper Accounting policies have been selected and applied consistently; and, the judgments and estimates that are made are reasonable and prudent so as give a true and fair view of the state of affairs of the Company as on **31<sup>st</sup> March, 2024** and of the **Profit** of the Company for that period;

- c) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d) That the Annual Accounts have been prepared on a going concern basis;
- e) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**29. DECLARATION BY INDEPENDENT DIRECTORS:**

During the financial year 2023-24, the Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

**30. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

For the financial year 2023-24, the Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

Further, in current year the Company has converted into 'Public Company' and received fresh Certificate of Incorporation Consequent upon Conversion from 'Private Company' to 'Public Company'. However, the company is in process to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

**31. PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company has zero tolerance for sexual harassment at workplace and the board has duly taken care on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and they responsible to inquire into complaints (if any) of sexual harassment and take appropriate action. There aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2023-2024.

### **32. DETAIL OF FRAUD REPORTED BY AUDITORS:**

There is no fraud reported by the auditors of the company.

### **33. AUDITOR'S REPORT:**

The Note as specified by the auditors in their audit reports are self explanatory in the notes on account.

### **34. AUDITORS:**

- **Statutory Auditor:-**

The Company has appointed M/s S S Kothari Mehta & Co. LLP {Formerly known as M/s SS Kothari Mehta & Co.,} Chartered Accountants, New Delhi, Firm Registration No.: 000756N/N500441, as the Statutory Auditor of the company for the Financial Year 2023-2024, to fill the Casual Vacancy caused due to Resignation of past Auditor M/s A D B & Co., Chartered Accountants, Raipur (Firm Registration No.: 005593C), in the Extra-Ordinary General Meeting held on 25<sup>th</sup> March, 2024 and proposed to be re-appointed as the Statutory Auditors of the company till the conclusion of the 12<sup>th</sup> (Twelfth) Annual General Meeting and relevant resolution regarding the same is given in the notice convening the Annual General Meeting.

The Company has received a Letter from M/s S S Kothari Mehta & Co. LLP [Formerly known as M/s SS Kothari Mehta & Co.,] Chartered Accountants, New Delhi, Firm Registration No.: 000756N/N500441, to effect the appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141, of the Companies Act, 2013.

- **Internal Auditor:-**

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Account) Rule 2014, M/s Agrawal Jain & Co, Chartered Accountants, Raipur (Firm Registration No: 012935C), were appointed as an Internal Auditor of the Company for the financial year 2023-2024 in the Board Meeting held on 10<sup>th</sup> May, 2023.

Further, M/s Agrawal Jain & Co, Chartered Accountants, Raipur (Firm Registration No: 012935C), has been re-appointed as an Internal Auditor of the Company for the financial year 2024-2025 in the Board Meeting held on 02<sup>nd</sup> August, 2024.

- **Cost Auditor:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s AS Rao & Co., Cost Accountants, Hyderabad (Firm Registration No. 000326), was appointed as the Cost Auditors of the Company for the Financial Year 2023-2024, by the Board of Directors on 01<sup>st</sup> September, 2023, to conduct the audit of the cost record of the company.

Further, M/s AS Rao & Co., Cost Accountants, Hyderabad (Firm Registration No. 000326), has been re-appointed to audit the cost records of the Company for the financial year 2024-2025 by the Board of Directors on 02<sup>nd</sup> August, 2024.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly a resolution seeking Member's ratification for the remuneration payable to M/s AS Rao & Co., Cost Accountants, Hyderabad (Firm Registration No. 000326), is included in Notice convening the Annual General Meeting.

- **Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Agrawal & Agrawal, a firm of Company Secretaries in Practice, Raipur to undertake the Secretarial Audit of the Company for the F.Y. 2023-2024 in the Board Meeting held on 30<sup>th</sup> June, 2023.

The Secretarial Audit Report for FY 2023-24 does not contain any qualification, reservation, or adverse remark. The report in form MR-3 is enclosed as "**Annexure-C**" to the Directors' Report.

Further, **M/s Agrawal & Agrawal**, a firm of Company Secretaries in Practice, Raipur has been re-appointed as a Secretarial Auditor of the Company for the financial year **2024-2025** in the Board Meeting held on **02<sup>nd</sup> August, 2024**.

### **35. VIGIL MECHANISM:**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances and provides for adequate safeguards against victimization of persons who use such mechanism. Vigil Mechanism is available for all Employee(s), business associate(s) engaged with the Company, who can report any fraud, irregularity, wrongdoing and unethical behaviour.

The Board of Directors reviews/investigates reports made under this Policy and takes appropriate action to ensure that requisite standards of confidentiality, professional and ethical conduct are always upheld, wherever necessary, in an impartial manner.

### **36. MAINTENANCE OF COST RECORDS:**

The books of account relating to materials, labour and other items of cost maintained by the company pursuant to the section 148(1) of the Companies Act, 2013 and Rules made thereunder and the prescribed accounts and records have been made and maintained by the company.

### **37. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements were adequate and operated effectively.

**38. APPOINTMENT OF PRACTISING COMPANY SECRETARY:**

The board proposed to re-appoint M/s Rohtash Agrawal & Co., Company Secretaries, Raipur, for Signing Annual Return and issue Certificate in Form- MGT-8 as per Section 92 of the Companies Act, 2013, for the Financial Year 2024-2025 and relevant resolution is given in the notice convening the Annual General Meeting.

**39. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there are no application made by or against the company and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.

**40. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

**41. COMPANY RELATIONS:**

The Company has maintained good industrial relations on all fronts. Your Directors wish to place on record their appreciation for the honest and efficient services rendered by the employees of the Company.

**42. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the invaluable support and co-operation received from the auditors, bankers, customers, shareholders and staff of the Company.

**For and on behalf of the Board**



**(Managing Director)**

Vikas Kumar Goyal

DIN: 00318182

Date: 12/09/2024

Place: Raipur



**(Director)**

Suresh Kumar Goyal

DIN: 02112472



**ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S  
REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1<sup>ST</sup> DAY OF  
APRIL, 2023**

**1. Brief Outline on CSR Policy of The Company:**

The Company had framed a Corporate Social Responsibility (CSR) Policy which was in compliance with the provisions of Companies Act, 2013. The primary purpose of Company's CSR Philosophy was to make a meaningful and measurable impact on the lives of economically, physically and socially challenged communities of the country by supporting initiatives aimed at creating conditions suitable for sustainable livelihood in these communities. The company aimed to promote literacy among the disadvantaged and differently-abled people and also to create awareness amongst public at large which includes financial literacy, consumer education. The company promotes initiatives that enhance environment, ecological balance and natural resources. It undertakes measures to eradicate poverty and reduce inequalities faced by socially and economically backward groups.

The CSR Activities were pursued through various initiatives undertaken by the company or through any other trust or agencies and entities as deemed suitable.

**2. The Composition of the 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
01.	Mr. Suresh Kumar Goyal	Chairman (Executive Director)	02	02
02.	Mr. Vikas Kumar Goyal	Member (Executive Director)	02	02
03.	Mr. Ashish Goyal	Member (Executive Director)	01*	01*

\* Cessation of Mr. Ashish Goyal w.e.f. 22/03/2024, from director ship of the company.

**3. Provide the web-link where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:-**

					applicable		
--	-	-	-	-	-	-	

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):Not Applicable

 Vikas Kumar Goyal (Member)	 Suresh Kumar Goyal (Chairman)
--	---

## Annexure - 'B'

### DETAILS OF PARTICULARS OF EMPLOYEES:

S. No.	PARTICULARS	VIKAS KUMAR GOYAL	SURESH KUMAR GOYAL
1	Designation of Employees	Executive Director [w.e.f. June 01, 2024 becomes Managing Director]	Executive Director [up to January 27, 2024 & reappointed on March 25, 2024]
2	Remuneration Received	1,80,00,000/-	1,65,00,000/-
3	Nature of Employment	Promoter	Promoter
4	Qualification and Experience of the Employee	Graduate and Over 2 decades of experience in the field of finance, strategy, sales, business development, marketing & procurement	Graduate and Over 2 decades of experience in the field of project planning, execution, technology & quality assurance
5	Date of Commencement of Employment	24/04/2017	25/03/2024
6	Age of Employee	43	48
7	Last Employment held by such employee before joining the company	-	-
8	% of Equity shares held by the Employee in the company	7.15%	7.15%
9	Whether such employee is a relative of any director and manager of the company and if so, name of such director and manager.	-	-

# **SECRETARIAL AUDIT REPORT**

Annexure - C

## **Sambhv Steel Tubes Limited**

*(Formerly Known as Sambhv Steel Tubes Private Limited)*

*(Formerly Known as Sambhv Sponge Power Private Limited)*

**CIN: U27320CT2017PLC007918**

**{For the Year Ended on 31/03/2024}**

**Prepared by:**

**M/s Agrawal & Agrawal,  
(Company Secretaries)  
D-3, 2<sup>nd</sup> Floor, B.J.P. Complex,  
Ekatma Parisar, Rajbandha,  
Raipur (C.G.) 492001**

Unique Code No. P2005CG001100  
Peer Review No.- 2649/2022

**Rohitash Kumar Agrawal**  
B. Com, LLB, FCS

**Sonam Agrawal**  
B. Com, LLB, FCS

**Abhishek Kumar Jain**  
B. Com, FCS

**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

***(For The Financial Year Ended 31/03/2024)***

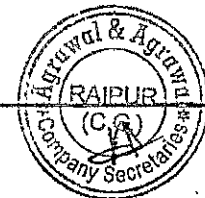
***[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]***

To,  
The Members,  
**Sambhv Steel Tubes Limited**  
*(Formerly Known as Sambhv Steel Tubes Private Limited)*  
*(Formerly Known as Sambhv Sponge Power Private Limited)*  
Regd. Office: Office No. 501 to 511, Harshit Corporate,  
Amanaka, Raipur (C.G.) 492001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sambhv Steel Tubes 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.

Our responsibility is to express an opinion on the Compliance of applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable auditing standards issued by the Institute of Company Secretaries of India (ICSI). The auditing standards require that the auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliances with the applicable laws and maintenance of records.

[Sambhv Steel Tubes Limited, 2024]



Due to inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non compliances may not be detected; even though the audit is properly planned and performed in accordance with the standards.

Based on our verification of the Sambhv Steel Tubes Limited, 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 31<sup>st</sup> 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:

The company has obtained approval of Members in their Extra Ordinary General Meeting held on 24<sup>th</sup> April, 2024, the Company has converted into "Public Company" w.e.f. 24<sup>th</sup> April, 2024 and received fresh Certificate of Incorporation Consequent upon Conversion from 'Private Company' to 'Public Company' from the Registrar of Companies/Central Processing Centre dated 09<sup>th</sup> July, 2024 and for the purpose of this report the company is treated as 'Private Limited Company' under Section 2(68) of the Companies Act, 2013, for the financial Year ended on 31<sup>st</sup> March, 2024;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder, are not applicable to the company during the reporting period;



- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under, to the extent applicable to the company during the reporting period;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, are not applicable to the company during the reporting period;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As the company is Private Company, reporting under Point V are not applicable.



vi. Other laws applicable to the Company as per the representation given by the company.

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

- ❖ Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meeting.
- ❖ The Listing Agreements entered into by the Company with Stock Exchange(s) (if any): are not applicable to the company.

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

We further report that:-

- The Board of Directors of the Company is duly constituted.
- The changes in the composition of the Board of Directors took place during the period under review, were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decision at the Board Meeting, as represented by the management and recorded in minutes, was taken unanimously.
- Adequate notice is given to all directors for resolution(s) passed by circulation, and draft resolution(s) together with necessary papers, if any, were sent within the prescribed time frame.
- For the agenda notes which were sent at a notice of less than seven days (if any), the requisite consent of the Board/Committee were duly taken.

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 followings specific events occurred which had bearing on the company's affairs in pursuance of the above referred laws, rules, regulations and guidelines etc.

1. Appointment/ Resignation of Directors/Company Secretary;
2. Appointment of Internal/Cost/Secretarial Auditors in the Company;
3. Change in Statutory Auditors;
4. Creation/Modification/Satisfaction of Charge;
5. Increased Authorised Share capital and alteration of Memorandum & Articles of Association;
6. The Company executed Share Subscription and Shareholders' Agreement on 19<sup>th</sup> October, 2023 (Date) with the Investor/Stakeholders and allotment of Equity shares made as Private Placement;
7. Articles of Association has been altered to incorporate Share Subscription and Shareholders' Agreement
8. Allotment of Equity shares as Bonus Shares;
9. Alteration of the Name of the company;
10. Return of Deposit (Form DPT-3) is pending for submission with ROC, Chhattisgarh.

We further report that the Company has responded appropriately to notices received, if any, from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

Place: Raipur

Date: 12/09/2024

Fur, Agrawal & Agrawal  
(Company Secretaries)



Abhishek Kumar Jain

(Partner)

M. No. F8701

C. P. No. 8894

UDIN: F008701F001201013

**Note:-** This Report is to be read with our letter of even date which is annexed as Annexure '1' and forms an integral part of this report.

Annexure '1' to the Secretarial Audit Report

To,  
The Members,  
**Sambhv Steel Tubes Limited**  
(Formerly Known as Sambhv Sponge Power Private Limited)  
(Formerly Known as Sambhv Steel Tubes Private Limited)  
Regd. Office: Office No. 501 to 511, Harshit Corporate,  
Amanaka, Raipur (C.G.) 492001

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Raipur  
Date: 12/09/2024



For, Agrawal & Agrawal  
(Company Secretaries)

Abhishek Kumar Jain  
(Partner)

M. No. F-8701

C. P. No. 8894

UDIN: F008701F001201013

Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number:U27320CT2017PLC007918  
Ind AS Balance Sheet as at March 31, 2024  
(All amounts in Indian Rupees millions, unless mentioned otherwise)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>ASSETS</b>				
<b>A. Non-current assets</b>				
(a) Property, plant & equipment	3	3,367.36	2,940.38	2,352.79
(b) Capital work-in-progress	4	2,156.08	215.08	166.96
(c) Other intangible assets	5	0.51	1.28	1.87
<b>(d) Financial assets</b>				
(i) Loans	6	0.90	0.49	0.19
(ii) Other financial assets	7	152.74	86.78	58.24
(e) Other non-current assets	8	570.63	213.64	115.12
<b>Total non-current assets (A)</b>		<b>6,248.22</b>	<b>3,457.65</b>	<b>2,695.17</b>
<b>B. Current assets</b>				
(a) Inventories	9	1,490.59	1,414.47	1,215.12
<b>(b) Financial assets</b>				
(i) Investments	10	-	-	-
(ii) Trade receivables	11	940.97	345.65	156.44
(iii) Cash & cash equivalents	12	75.84	1.97	0.60
(iv) Bank balances other than (iii) above	13	354.03	75.06	83.29
(v) Loans	14	4.65	1.77	1.88
(vi) Other financial assets	15	16.75	3.62	1.96
(c) Other current assets	16	270.29	221.17	430.63
<b>Total current assets (B)</b>		<b>3,153.12</b>	<b>2,063.71</b>	<b>1,889.92</b>
<b>Total Assets (A+B)</b>		<b>9,401.34</b>	<b>5,521.36</b>	<b>4,585.09</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>A. Equity</b>				
(a) Equity share capital	17	2,410.02	200.90	200.90
(b) Other equity	18	1,972.80	1,903.07	1,292.07
<b>Total equity (A)</b>		<b>4,382.82</b>	<b>2,103.97</b>	<b>1,492.97</b>
<b>Liabilities</b>				
<b>B. Non-current Liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Borrowings	19.1	1,814.28	1,689.92	1,365.00
(ii) Lease liabilities	20	35.35	22.36	2.04
(b) Provisions	21	14.01	8.46	8.94
(c) Deferred tax liabilities (net)	22.1	187.50	142.07	97.02
<b>Total non-current liabilities (B)</b>		<b>2,051.14</b>	<b>1,862.81</b>	<b>1,473.00</b>
<b>C. Current liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Borrowings	19.2	1,654.48	1,137.80	1,047.88
(ii) Lease liabilities	20	1.29	0.45	1.48
(iii) Trade payables	23			
(i) Total outstanding dues of micro enterprises and small enterprises		17.98	1.26	8.13
(ii) Total outstanding dues of creditors other than micro and small enterprises		959.70	281.59	301.65
(iv) Other financial liabilities	24	127.61	68.73	49.42
(b) Other current liabilities	25	134.79	56.54	79.88
(c) Provisions	26	2.48	1.49	0.29
(d) Current tax liabilities (net)	27	69.05	6.72	130.39
<b>Total current liabilities (C)</b>		<b>2,967.38</b>	<b>1,554.58</b>	<b>1,619.12</b>
<b>Total liabilities (B+C)</b>		<b>5,018.52</b>	<b>3,417.39</b>	<b>3,092.12</b>
<b>Total Equity &amp; Liabilities (A+B+C)</b>		<b>9,401.34</b>	<b>5,521.36</b>	<b>4,585.09</b>

Material accounting policies

2

The accompanying notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached  
For S S Kothari Mehta & Co. LLP  
Chartered Accountants  
Firm Registration No. : 000756N/N500441

  
Vijay Kumar  
Partner  
Membership Number: 092671  
Place: New Delhi  
Date: Sep 12, 2024



For and on behalf of Board of Directors of  
Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited  
and Sambhv Sponge Power Private Limited)

  
Suresh Kumar Goyal  
Director  
DIN - 00318141  
Place: Raipur  
Date: Sep 12, 2024

  
Vikas Kumar Goyal  
Managing Director  
DIN - 00318182  
Place: Raipur  
Date: Sep 12, 2024

  
Anu Garg  
Chief Financial Officer  
PAN - BRBPG4465Q  
Place: Raipur  
Date: Sep 12, 2024

  
Niraj Shrivastava  
Company Secretary  
PAN - CGBPS1019N  
Place: Raipur  
Date: Sep 12, 2024



**Sambhv Steel Tubes Limited**  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number: U27320CT2017PLC007918  
Ind AS Statement of Profit and Loss for the year ended March 31, 2024  
(All amounts in Indian Rupees millions, unless mentioned otherwise)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I. Income</b>			
(a) Revenue from operations	28	12,857.57	9,372.20
(b) Other income	29	36.18	17.84
<b>Total income (I)</b>		<b>12,893.75</b>	<b>9,390.04</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	30	8,287.16	6,700.23
(b) Purchases of stock-in-trade	31	1,056.93	569.19
(c) Changes in inventories of stock-in-trade and finished goods	32	(142.25)	(302.41)
(d) Employee benefits expense	33	571.33	414.61
(e) Finance costs	34	318.15	218.16
(f) Depreciation and amortization expense	35	209.10	161.51
(g) Other expenses	36	1,485.68	817.58
<b>Total expenses (II)</b>		<b>11,786.10</b>	<b>8,578.87</b>
<b>III. Profit before exceptional item and tax (I - II)</b>		<b>1,107.65</b>	<b>811.17</b>
<b>IV. Exceptional item</b>		-	-
<b>V. Profit before tax (III- IV)</b>		<b>1,107.65</b>	<b>811.17</b>
<b>VI. Tax expense :</b>			
(a) Current tax	22.2	238.24	164.71
(b) Deferred tax	22.2	45.02	42.63
<b>Total tax expense</b>		<b>283.26</b>	<b>207.34</b>
<b>VII. Profit for the year (V - VI)</b>		<b>824.39</b>	<b>603.83</b>
<b>VIII. Other comprehensive income</b>			
Items that will not be reclassified to the statement of profit or loss			
a. Remeasurement gains / (losses) on the defined benefit plans	44	1.64	9.59
b. Income tax relating to above		(0.41)	(2.42)
<b>Other comprehensive income for the year (net of tax)</b>		<b>1.23</b>	<b>7.17</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>825.62</b>	<b>611.00</b>
<b>X. Earnings per equity share [face value per equity share INR 10/- (March 31,2023 INR 10/-)]</b>	37		
Basic (In INR)		3.79	3.01
Diluted (In INR)		3.79	3.01

Material accounting policies

2

The accompanying notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No. : 000756N/N500441

  
**Vijay Kumar**  
Partner

Membership Number: 092671

Place: **New Delhi**

Date: **Sep 12, 2024**



For and on behalf of Board of Directors of  
Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private  
Limited and Sambhv Sponge Power Private Limited)

  
**Suresh Kumar Goyal**  
Director

DIN - 00318141

Place: Raipur


Date: **Sep 12, 2024**

  
**Anu Garg**  
Chief Financial Officer

PAN - BRBPG4465Q

Place: Raipur

Date: **Sep 12, 2024**

  
**Vikas Kumar Goyal**  
Managing Director

DIN - 00318182

Place: Raipur

Date: **Sep 12, 2024**

  
**Niraj Shrivastava**  
Company Secretary

PAN - CGBPS1019N

Place: Raipur

Date: **Sep 12, 2024**

**Sambhv Steel Tubes Limited**  
**(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)**  
**Corporate Identity Number:U27320CT2017PLC007918**  
**Ind AS Statement of Cash Flow for the year ended March 31, 2024**  
**(All amounts in Indian Rupees millions, unless mentioned otherwise)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,107.65	811.17
Adjustments for:		
Depreciation and amortisation expenses	209.09	161.51
Loss on sale of property, plant & equipment (net)	3.25	1.65
Balance written off for receivables & advances	0.68	0.43
Allowance for doubtful debts, loans, advances and others	0.08	0.08
Fair value amortisation on loan to employees	0.09	0.07
Gain on sale of current investments	(2.68)	-
Gain on account of remeasurement in lease term	(0.07)	(0.20)
Interest expense	304.28	213.83
Interest income	(22.95)	(8.70)
<b>Operating profit before working capital changes</b>	<b>1,599.42</b>	<b>1,179.84</b>
Adjustments for:		
(Increase)/ decrease in loans	(3.39)	(0.26)
(Increase)/ decrease in other financial assets	(63.66)	(16.68)
(Increase)/ decrease in other assets	(49.14)	209.36
(Increase)/ decrease in inventories	(76.11)	(199.34)
(Increase)/ decrease in trade receivables	(596.09)	(189.72)
Increase / (decrease) in provisions	8.19	10.28
Increase / (decrease) in trade payables	694.83	(26.92)
Increase / (decrease) in other financial liabilities	13.14	3.48
Increase / (decrease) in other current liabilities	78.24	(23.33)
<b>Cash flow from operations</b>	<b>1,605.43</b>	<b>946.71</b>
Less : Income tax paid (net)	(181.15)	(291.19)
<b>Net cash generated from operating activities (A)</b>	<b>1,424.28</b>	<b>655.52</b>
<b>B. Cash flow from investing activities</b>		
Payments for purchase of property plant and equipment including capital work-in-progress, intangible assets and capital advances	(2,849.29)	(871.04)
Proceeds from sale of property plant and equipment and intangible assets	2.06	18.63
Investment/(matured) in fixed deposit (net)	(282.76)	(3.77)
Investment in subsidiary	0.10	-
Proceed from sales of investment in subsidiary	(0.10)	-
Purchase of current investments	(500.00)	-
Proceeds from sale of current investments	502.68	-
Interest received	11.31	7.18
<b>Net cash (used in) / from investing activities (B)</b>	<b>(3,116.00)</b>	<b>(849.00)</b>
<b>C. Cash flow from financing activities (refer note 45)</b>		
Proceeds from non-current borrowings	1,240.69	979.47
Repayment of non-current borrowings	(1,081.40)	(577.40)
Proceeds / (repayment) of current borrowings (net) (excluding current maturities of non-current borrowings)	481.75	12.76
Repayment towards principal portion of lease liabilities	(0.45)	(1.59)
Payment of interest on lease liabilities	(2.18)	(1.32)
Proceeds from issue of equity shares (Refer Note 17)	1,503.71	-
Share issue expenses	(50.48)	-
Finance cost paid	(326.05)	(217.07)
<b>Net cash (used in)/ from financing activities (C)</b>	<b>1,765.59</b>	<b>194.85</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>73.87</b>	<b>1.37</b>
Cash and cash equivalents at the beginning of the year	1.97	0.60
<b>Cash and cash equivalents at the end of the year</b>	<b>75.84</b>	<b>1.97</b>



**Sambhv Steel Tubes Limited**  
 (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
 Corporate Identity Number: U27320CT2017PLC007918  
 Ind AS Statement of Cash Flow for the year ended March 31, 2024  
 (All amounts in Indian Rupees millions, unless mentioned otherwise)

For the purpose of statement of cash flows, cash and cash equivalents comprises of following

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
-In current accounts	1.57	0.42
Cheques in Hand	72.84	-
Cash on Hand	1.43	1.55
Cash and cash equivalents in cash flow statement (Refer Note 12)	75.84	1.97

Notes:

- (i) The above statement of Cash flow has been prepared under the Indirect Method as set out in Indian Accounting Standard-7, Statement of Cash Flow.
- (ii) Figures in bracket indicate cash outflow.
- (iii) For movement of lease liabilities, Refer Note 20.1.

Material accounting policies

2

The accompanying notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No. : 000756N/N500441

**Vijay Kumar**

Partner

Membership Number: 092671

Place: **New Delhi**

Date: **Sep 12, 2024**



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

**Sambhv Steel Tubes Limited of**

**(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private**

**Suresh Kumar Goyal**  
 Director  
 DIN - 00318141  
 Place: Raipur  
 Date: **Sep 12, 2024**

**Vikas Kumar Goyal**  
 Managing Director  
 DIN - 00318182  
 Place: Raipur  
 Date: **Sep 12, 2024**

**Anu Garg**  
 Chief Financial Officer  
 PAN - BRBPG4465Q  
 Place: Raipur  
 Date: **Sep 12, 2024**

**Niraj Shrivastava**  
 Company Secretary  
 PAN - CGBPS1019N  
 Place: Raipur  
 Date: **Sep 12, 2024**



**Sambhv Steel Tubes Limited**  
 (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
 Corporate Identity Number:U27320CT2017PLC007918  
 Ind AS Statement of Changes in Equity for the year ended March 31, 2024  
 (All amounts in Indian Rupees millions, unless mentioned otherwise)

**A. Equity Share Capital**

Particulars	Amount
Balance as at April 01, 2022	200.90
Changes in equity share capital during the year	-
Balance as at March 31, 2023	200.90
Changes in equity share capital during the year	
-Issue of equity shares during the year	40.10
-Issue of bonus shares during the year	2,169.02
Balance as at March 31, 2024	2,410.02

**B. Other Equity**

Particulars	Reserve & Surplus		Total Other Equity
	Securities Premium	Retained Earning	
Balance as at April 01, 2022	66.67	1,225.40	1,292.07
Profit for the year	-	603.83	603.83
Other comprehensive income (net of tax)	-	7.17	7.17
Balance as at March 31, 2023	66.67	1,836.40	1,903.07
Profit for the year	-	824.39	824.39
Other comprehensive income (net of tax)	-	1.23	1.23
Issue of equity share capital during the year	1,463.61	-	1,463.61
Issue of bonus shares during the year (Refer Note 17)	(1,479.80)	(689.22)	(2,169.02)
Share issue expenses	(50.48)	-	(50.48)
Balance as at March 31, 2024	-	1,972.80	1,972.80

Material accounting policies

2

The accompanying notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached  
 For S S Kothari Mehta & Co. LLP  
 Chartered Accountants  
 Firm Registration No. : 000756N/NS00441

Vijay Kumar  
 Partner  
 Membership Number: 092671  
 Place: New Delhi  
 Date: Sep 12, 2024



For and on behalf of Board of Directors  
 Sambhv Steel Tubes Limited  
 (Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

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**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**1) Corporate Information**

- a) Sambhv Steel Tubes Limited (formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited) is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at 5th Floor, Office No. 501 to 511, Harshit Corporate, Amanaka, Raipur, Chhattisgarh. On February 22, 2024 the Registrar of Companies, Chhattisgarh has accorded their approval to change the name of the Company from Sambhv Sponge Power Private Limited to Sambhv Steel Tubes Private Limited. The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on April 24, 2024 and consequently the name of the Company has changed to Sambhv Steel Tubes Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on July 09, 2024.
- b) The Company is principally engaged in the manufacturing of steel products like Sponge Iron, Blooms / Slabs, HR Coil, ERW black pipes and tubes, Captive power generation and the Company is an integrated manufacturer of diverse range of steel products.
- c) The financial statements were approved for issue in accordance with a resolution of the directors on September 12, 2024.

**2) Basis of preparation of Financial Statements and Material Accounting Policies and Material Accounting Policy**

**2.1 Basis of preparation of Financial Statements and Material Accounting Policies**

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

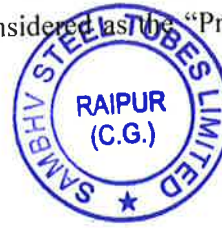
**a) Statement of Compliance**

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The financial statements up to year ended March 31, 2023 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

These financial statements are the first financial statements of the Company under Ind AS. Refer Note XX for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

**b) Basis of preparation and presentation**

These financial statements have been prepared in accordance with IND AS 101, "First Time Adoption of IND AS", as these are the Company's first IND AS compliant Financial Statements for the year ended 31st March, 2024. The Financial Statements correspond to the classification provisions contained in IND AS-1 (Presentation of Financial Statements). The transition to IND AS has been carried out from the Accounting Principles generally accepted in India (Indian GAAP), which is considered as the "Previous GAAP", for purposes of IND AS - 1.



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

The preparation of these Financial Statements resulted in changes to the Company's Accounting Policies as compared to the most recent Annual Financial Statements prepared under Previous GAAP, wherever necessary. All Accounting Policies and applicable IND AS have been applied consistently and retrospectively to all periods, including the previous financial year presented and the IND AS opening balance sheet as at 1st April, 2022 (Transition Date). The resulting difference between the carrying amounts under IND AS and Previous GAAP as on the Transition Date has been recognised directly in Equity. An explanation of the effect of the transition from Previous GAAP to Ind AS on the Company's equity and profit is provided in note 46.

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policy set out below:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plan - which have been measured at fair value at the end of each reporting period, as explained in the accounting policies below.

**c) Functional & Presentation Currency:**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest Millions upto two decimal places, except for share data and if otherwise stated.

**d) Use of Estimates:**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**e) Classification of Assets and Liabilities as Current and Non Current**

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if

a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or

b) it is held primarily for the purpose of being traded;



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date .

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability has been classified as current when

- a) it is expected to be settled in the Company's normal operating cycle; or
- b) it is held primarily for the purpose of being traded; or
- c) it is due to be settled within twelve months after the reporting date ; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

## **2.2 Summary of Material Accounting Policies**

### **a) Revenue from contract with customer**

The Company manufactures and sells a range of steel and other products.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

#### **Sale of Goods**

The control of the products is said to have been transferred to the customer when the products are delivered to the customer, the customer has significant risks and rewards of the ownership of the product or when the customer has accepted the product.

Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates, estimated additional discounts and expected sales returns and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts. Revenue is only recognised to the extent that is highly probable that significant reversal will not accrue.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

#### **Contract balances**

#### **Contract assets**



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Upon completion of the contractual services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

**Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Assets and liabilities arising from rights of return**

**Right of return assets**

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

**Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' right of return and volume rebates. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**b) Other Income**

**Dividend Income:** Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the same.

**Interest Income:** Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- c) **Government Grants:** Government grants are recognised where there is reasonable assurance that the grant will be received, ultimate collection of the grant/subsidy is reasonably certain and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.





**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**d) Export Incentives :** Export incentives under various schemes notified by the government are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

**e) Investment in Subsidiary**

A subsidiary is an entity that is controlled by another entity. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The Company's investments in its subsidiary and associates are accounted at cost less impairment.

**f) Property, Plant and Equipment (PPE)**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

In the carrying amount of an item of property, plant and equipment, the cost of replacing the part of such an item is recognised when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition principles.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Spare parts procured along with the plant & machinery or subsequently which meet the recognition criteria, are capitalised and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores & spares' forming part of the inventory.



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**Depreciation**

Depreciation is recognised on the cost of assets less their residual values. Depreciation is provided based on useful life of the assets. The management has evaluated that the useful life is in conformity with the useful life as prescribed in Schedule II of the Companies Act and such useful life has been considered by applying the straight-line method. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately based on its' useful life.

Assets	Useful Life as per Schedule II (Years)
Building (other than factory buildings) other than RCC Frame Structure	30
Building (other than factory buildings) RCC Frame Structure	60
Building- Roads, Tubewell and temporary shed	3-10
Plant and equipment	15-20
Furniture and fixtures	10
Vehicles	8-10
Office equipment	3-6

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate.

The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.

For transition to Ind AS, The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

**g) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate technical and commercial feasibility of making the asset available for use or sale.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the company's intangible assets is as follows:-

Intangible assets	Useful life (In Years)	Amortisation method used
Computer Software's	6	Amortised on straight-line basis

**h) Capital Work-in-progress**

Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-Progress. Such costs comprise purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost directly attributable to projects under construction, net of income earned during such period, include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and upgradation, among others of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

Capital expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalised and carried under 'Capital work-in-progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the 'attributability' and the 'Unit of Measure' concepts in Ind AS 16- 'Property, Plant & Equipment'. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.





**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**i) Leases**

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of the right-of-use asset shall comprise: the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

**Lease Liabilities**

At the commencement date of the lease, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date: fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; amounts expected to be payable by the lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

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

After the commencement date the carrying amount of lease liabilities is remeasured to reflect changes in the lease payments. The amount of remeasurement of the lease liability is recognised as an adjustment to the carrying amount of the right-of-use of the asset and any remaining amount of remeasurement in profit or loss.



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

**Short-term leases and leases of low-value assets**

The Company has elected to apply the exemption from lease recognition to 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) and leases for which the underlying assets is of low value lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

**j) Inventories**

Inventories are valued at the lower of cost and net realisable value.

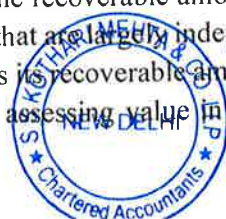
Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out (FIFO) basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads and other cost incurred in bringing inventories to their present location and condition based on the normal operating capacity but excluding borrowing costs. Cost is determined on FIFO
- Stores and Spares is value at FIFO
- Scrap is valued at estimated realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

**k) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase

The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

#### **1) Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

##### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

##### **Contingent Assets**

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.





**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**m) Employee benefits**

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. The gratuity plan in Company is Un-Funded.

The Company’s Liabilities on account of Gratuity on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (Ind AS)-19 ‘Employee Benefits’. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity through other comprehensive income in the period in which they arise. They are included in retained earnings through OCI in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in statement of profit and loss. Re-measurements are not reclassified to profit or loss in subsequent periods.

**Past service costs are recognised in profit or loss on the earlier of:**

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognises related restructuring costs

**Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss :**

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b) Net interest expense or income

**Compensated Absences**

Accumulated compensated absences are either availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service. The Company has a policy to encash the entire leaves balance outstanding as at the end of the year in the subsequent year.

**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee’s services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



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Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**n) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

**Financial assets at amortised cost (debt instruments)**

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and loans to employees included under financial assets.

**Financial assets at fair value through OCI (FVTOCI) (debt instruments)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under '*Ind AS 32 Financial Instruments: Presentation and are not held for trading*'. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right to receive the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.



**Sambhv Steel Tubes Limited (Formerly known as Sambhv Steel Tubes Private Limited & Sambhv Sponge Power Private Limited)**

Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

**Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other assets, the Company uses twelve-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as on-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are disclosed in Financial Statements.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the 'Other income' line item.





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(All amounts in INR Millions, except otherwise stated)

**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 derecognised (i.e removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Financial Liabilities**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as appropriate.





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Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

All financial liabilities are recognised initially at fair value and, in the case of loans, inter corporate deposits and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

**Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Financial liabilities at amortised cost (Borrowings)**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.



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(All amounts in INR Millions, except otherwise stated)

**Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**o) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- b) In respect of taxable temporary differences associated with interests in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the



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Notes to Ind AS financial statements for the year ended March 31, 2024

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transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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

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

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss or in OCI.

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

**p) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**q) Changes in accounting policies and disclosures**

**(a) New and amended standards and interpretations**

**(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the financial statements of the Company.

**(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.



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Notes to Ind AS financial statements for the year ended March 31, 2024

(All amounts in INR Millions, except otherwise stated)

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Company

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

**(b) Standards issued but not yet effective**

There are no such standards or amendment issued which are not effective as on date.



Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number: U27320CT2017PLC007918  
Notes to the Ind AS Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees millions, unless mentioned otherwise)

3 Property, Plant & Equipment

As at March 31, 2024

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2023	Additions	Sales	As at March 31, 2024	As at April 01, 2023	Depreciation expense	Sales	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Freehold Land	49.05	12.94	3.68	58.31	-	-	-	-	58.31	49.05
<b>Building</b>	-	-	-	-	-	-	-	-	-	-
Owned	425.08	104.51	-	529.59	13.28	15.72	-	29.00	500.59	411.80
Right of use asset - Building	23.21	14.37	-	37.58	0.81	1.49	-	2.30	35.28	22.40
Plant and Machinery	2,390.48	479.03	1.01	2,868.50	125.92	167.67	0.05	293.54	2,574.96	2,264.56
Furniture and Fixtures	19.44	9.46	-	28.90	0.59	1.91	-	2.50	26.40	18.85
Vehicles	97.98	13.22	0.87	110.33	11.17	12.89	0.19	23.87	86.46	86.81
Office Equipment	9.00	2.34	-	11.34	1.41	2.14	-	3.55	7.79	7.59
Pollution Control Equipment	79.97	0.17	-	80.14	4.32	4.35	-	8.67	71.47	75.65
Computer	5.29	4.59	-	9.88	1.62	2.16	-	3.78	6.10	3.67
<b>Total</b>	<b>3,099.50</b>	<b>640.63</b>	<b>5.56</b>	<b>3,734.57</b>	<b>159.12</b>	<b>208.33</b>	<b>0.24</b>	<b>367.21</b>	<b>3,367.36</b>	<b>2,940.38</b>

As at March 31, 2023

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2022 (Deemed Cost)	Additions	Sales	As at March 31, 2023	As at April 01, 2022	Depreciation expense	Sales	As at March 31, 2023	As at March 31, 2023	As at April 01, 2022
Freehold Land	48.67	0.38	-	49.05	-	-	-	-	49.05	48.67
<b>Building</b>	-	-	-	-	-	-	-	-	-	-
Owned	320.53	104.55	-	425.08	-	13.28	-	13.28	411.80	320.53
Right of use asset - Building	3.51	24.45	4.75	23.21	-	2.31	1.50	0.81	22.40	3.51
Plant and Machinery	1,811.45	598.05	19.02	2,390.48	-	126.06	0.14	125.92	2,264.56	1,811.45
Furniture and Fixtures	1.97	17.47	-	19.44	-	0.59	-	0.59	18.85	1.97
Vehicles	80.74	18.81	1.57	97.98	-	11.33	0.16	11.17	86.81	80.74
Office Equipment	4.61	4.39	-	9.00	-	1.41	-	1.41	7.59	4.61
Pollution Control Equipment	77.83	2.14	-	79.97	-	4.32	-	4.32	75.65	77.83
Computer	3.48	1.81	-	5.29	-	1.62	-	1.62	3.67	3.48
<b>Total</b>	<b>2,352.79</b>	<b>772.05</b>	<b>25.34</b>	<b>3,099.50</b>	<b>-</b>	<b>160.92</b>	<b>1.80</b>	<b>159.12</b>	<b>2,940.38</b>	<b>2,352.79</b>





**Sambhv Steel Tubes Limited**

(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

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Notes to the Ind AS Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees millions, unless mentioned otherwise)

- a. The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and Loss.
- b. The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. On the date of transition, the company has selected the option as per para D7AA of Ind AS 101. Accordingly the carrying value of all Property, Plant and Equipment as on the date of transition has been recognised as the deemed cost. Consequently the written down value has been considered as Gross carrying value as on April 01, 2022. The details of the Gross carrying value and the Accumulated depreciation as on April 01, 2022 are as per below Note (c).

**c. Gross Carrying Value of assets as on date of transition:**

Asset wise description of gross carrying value and net carrying value of Assets

Particulars	Gross carrying value	Accumulated depreciation	Net carrying value as on 01 April 2022 (as deemed cost)
Freehold Land	48.67	-	48.67
<b>Building</b>			
Owned	340.48	19.95	320.53
Right of use asset - Building	3.51	-	3.51
Plant and Machinery	1,976.94	165.48	1,811.46
Furniture and Fixtures	2.10	0.13	1.97
Vehicle and crane	93.98	13.24	80.74
Office Equipment	5.91	1.30	4.61
Pollution Control Equipment	88.35	10.52	77.83
Computer	5.28	1.81	3.47
<b>Total</b>	<b>2,565.22</b>	<b>212.43</b>	<b>2,352.79</b>

**d. Gross carrying value of disposals as on date of transition:**

Particulars	Gross Carrying Value	Accumulated Depreciation	Net Carrying Value as on April 01, 2022 (as deemed cost)
Right of use asset - Building	4.75	-	4.75
Plant and Machinery	22.74	3.72	19.02
Vehicles	1.85	0.29	1.56
<b>Total</b>	<b>29.34</b>	<b>4.01</b>	<b>25.33</b>

In view of the net carrying value as on March 31, 2022 being considered as the opening gross carrying value as on April 01, 2022, the net assets disposed in FY 2022-23 have been restated at their net carrying value.

- e. The Company determines that a contract is or contains a lease, if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration. At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period is discounted using the Company's incremental borrowing rate. Lease payments include fixed payments. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability. Right of use assets is amortized over the period of lease.
- f. Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 19.



Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number:U27320CT2017PLC007918  
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(All amounts in Indian Rupees millions, unless mentioned otherwise)

4 Capital work-in-progress

Particulars	As at April 1, 2023	Additions	Capitalised during the year	Sale	As at March 31, 2024
Capital Work-in-Progress	215.08	2,464.58	(514.95)	(8.63)	2,156.08
<b>Total</b>	<b>215.08</b>	<b>2,464.58</b>	<b>(514.95)</b>	<b>(8.63)</b>	<b>2,156.08</b>

Particulars	As at April 1, 2022	Additions	Transfer to PPE	Sale	As at March 31, 2023
Capital Work-in-Progress	166.96	557.82	(504.96)	(4.74)	215.08
<b>Total</b>	<b>166.96</b>	<b>557.82</b>	<b>(504.96)</b>	<b>(4.74)</b>	<b>215.08</b>

4.1 Capital-Work-in Progress (CWIP) ageing schedule

CWIP	As at March 31, 2024				
	Amount in CWIP for a year of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,136.26	19.82	-	-	2,156.08
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,136.26</b>	<b>19.82</b>	<b>-</b>	<b>-</b>	<b>2,156.08</b>

CWIP	As at March 31, 2023				
	Amount in CWIP for a year of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	215.08	-	-	-	215.08
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>215.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>215.08</b>

CWIP	As at April 01, 2022				
	Amount in CWIP for a year of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	166.96	-	-	-	166.96
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>166.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166.96</b>

4.2 There were no Capital-work-in progress and Intangible aseeets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

4.3 Capital work in progress includes following pre-operative expenses pending allocation:

Particulars	As at March 31 , 2024	As at March 31 , 2023	As at April 01, 2022 (Deemed Cost)
Opening Balance	12.38	21.78	37.96
Employee Benefit Expenses	18.29	13.49	18.52
Power & Fuel Consumption	0.30	2.77	24.42
Finance Cost	33.51	12.05	13.84
Miscellaneous Expenses	1.48	1.02	-
<b>Subtotal (A)</b>	<b>65.96</b>	<b>51.11</b>	<b>94.74</b>
Less: Transferred to Property, plant and equipment (B)	(12.87)	(38.73)	(72.96)
<b>Total (A-B)</b>	<b>53.09</b>	<b>12.38</b>	<b>21.78</b>



**Sambhv Steel Tubes Limited**

(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

Corporate Identity Number:U27320CT2017PLC007918

Notes to the Ind AS Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees millions, unless mentioned otherwise)

**5 Other intangible assets**

Particulars	Gross carrying value				Accumulated amortization				Net carrying value	
	As at April 01, 2023	Additions	Sale	As at March 31, 2024	As at April 01, 2023	Amortization expense	Sale	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Computer softwares	1.87	-	-	1.87	0.59	0.77	-	1.36	0.51	1.28
<b>Total</b>	<b>1.87</b>	<b>-</b>	<b>-</b>	<b>1.87</b>	<b>0.59</b>	<b>0.77</b>	<b>-</b>	<b>1.36</b>	<b>0.51</b>	<b>1.28</b>

Particulars	Gross carrying value				Accumulated amortization				Net carrying value	
	As at April 01, 2022	Additions	Sale	As at March 31, 2023	As at April 01, 2022	Amortization expense	Sale	As at March 31, 2023	As at March 31, 2023	As at April 01, 2022
Computer softwares	1.87	-	-	1.87	-	0.59	-	0.59	1.28	1.87
<b>Total</b>	<b>1.87</b>	<b>-</b>	<b>-</b>	<b>1.87</b>	<b>-</b>	<b>0.59</b>	<b>-</b>	<b>0.59</b>	<b>1.28</b>	<b>1.87</b>

a. The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and Loss.

b. The Company has availed the deemed cost exemption in relation to the other intangible assets on the date of transition and hence the net gross carrying value has been considered as the gross value on that date. Refer Note below for the gross carrying value and the accumulated depreciation on April 01, 2022 under the previous GAAP.

**c. Gross carrying value of assets as on date of transition:**

Asset wise description of gross carrying value and net carrying value of assets

Particulars	Gross carrying value	Accumulated depreciation	Net carrying value as deemed cost As at April 01, 2022
Computer softwares	3.74	1.86	1.88
<b>Total</b>	<b>3.74</b>	<b>1.86</b>	<b>1.88</b>





**6 Loans (Non-current)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Measured at amortised cost (Unsecured, considered good)			
Loans to employees	0.90	0.49	0.19
<b>Total</b>	<b>0.90</b>	<b>0.49</b>	<b>0.19</b>

**7 Other Financial Assets (Non-current)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Measured at amortised cost (Unsecured, considered good)			
Security deposit	128.82	66.66	50.11
Margin money deposits with maturity more than 12 months	23.92	20.12	8.13
<b>Total</b>	<b>152.74</b>	<b>86.78</b>	<b>58.24</b>

**8 Other non-current assets**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Unsecured, considered good			
Capital advances	570.48	213.53	115.11
Staff advances	0.15	0.11	0.01
<b>Total</b>	<b>570.63</b>	<b>213.64</b>	<b>115.12</b>

**9 Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At the lower of cost and net realisable value			
Raw materials and components*	647.81	705.36	837.89
Finished goods*	761.26	620.93	317.19
Stock-in-trade	1.92	-	1.33
Stores & spares	79.60	88.18	58.71
<b>Total</b>	<b>1,490.59</b>	<b>1,414.47</b>	<b>1,215.12</b>

\*It includes good in transit as per below details :

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Raw material	6.62	-	-
Finished goods	1.30	-	-
<b>Total</b>	<b>7.92</b>	<b>-</b>	<b>-</b>

9.1 Carrying amount of inventory hypothecated to secure working capital facilities of INR 1,490.59 millions ( March 31, 2023 INR ,1,414.47 millions and April 01, 2022 INR,1,215.13 millions).

9.2 The details of charge created on stocks, book debts and other current assets are as per Note 19.

**10 Investment (current)**

(a) The Company has invested into the 128,52,827.795 Units of ICICI Prudential Equity Saving Fund Cumulative of amounting INR 250 Millions and 91,66,788.919 units of HDFC Arbitrage Fund Wholesale Plan for INR 250 Millions, where company has recognised gain on sale of aforesaid investments amounting to INR 2.68 Millions as recognised in Other Income Refer Note No.29 (March 31, 2023 Nil and April 01,2022 Nil).

(b) The Company made an investment in a subsidiary on 30th January 2024 in M/s Sambhv Green Steel Private Limited (SGSPL). This investment was sold on 20th March 2024. There are no other transactions in the SGSPL. The management has assessed this investment as an immaterial investment and accordingly consolidated financial statements have not been prepared. The financial position of the company consists only of this investment on the date of purchase and sale of such equity shares.

**11 Trade Receivables**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Trade receivables (unsecured) (Measured at amortised cost)			
- related parties (Refer note 38)	0.02	17.67	21.05
- Others	941.44	328.38	135.71
Less: Allowance for expected credit losses	(0.49)	(0.40)	(0.32)
<b>Total Trade receivables</b>	<b>940.97</b>	<b>345.65</b>	<b>156.44</b>
<b>Breakup for Trade receivables:</b>			
Unsecured			
Gross Trade receivables			
Unsecured, considered good	940.97	345.65	156.44
Credit impaired	0.49	0.40	0.32
Less: Allowance for expected credit losses	(0.49)	(0.40)	(0.32)
<b>Total</b>	<b>940.97</b>	<b>345.65</b>	<b>156.44</b>

11.1 (a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Not any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except as mentioned in note 38

(b) For terms and conditions relating to related parties receivables, refer Note, 38

(c) Trade receivables are non-interest bearing.

(d) The amount repayable under the bill discounting arrangement is presented as borrowing. The carrying amount are as follows:-

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Receivables discounted from Bank	698.91	174.15	-
Borrowing availed against said deliverables (Refer Note No 19.2)	698.91	174.15	-



11.2 Trade Receivable ageing

As at March 31, 2024

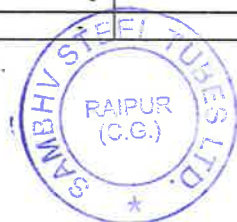
Particulars	Outstanding for following periods from date of transactions						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	940.62	0.34	0.01	-	-	940.97
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.49	-	-	-	-	0.49
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	(0.49)	-	-	-	-	(0.49)
<b>Total</b>	-	<b>940.62</b>	<b>0.34</b>	<b>0.01</b>	-	-	<b>940.97</b>

As at March 31, 2023

Particulars	Outstanding for following periods from date of transactions						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	334.96	10.44	0.25	-	-	345.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.32	0.05	0.03	-	-	0.40
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	(0.32)	(0.05)	(0.03)	-	-	(0.40)
<b>Total</b>	-	<b>334.96</b>	<b>10.44</b>	<b>0.25</b>	-	-	<b>345.65</b>

As at April 01, 2022

Particulars	Outstanding for following periods from date of transactions						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	155.95	0.40	0.09	-	-	156.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.31	-	0.01	-	-	0.32
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	(0.31)	-	(0.01)	-	-	(0.32)
<b>Total</b>	-	<b>155.95</b>	<b>0.40</b>	<b>0.09</b>	-	-	<b>156.44</b>



12 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Balances with Banks</b>			
-In current accounts	1.57	0.42	0.20
Cheques in hand	72.84	-	-
Cash on hand	1.43	1.55	0.40
<b>Total</b>	<b>75.84</b>	<b>1.97</b>	<b>0.60</b>

13 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Balances with banks in:</b>			
Margin money deposits	23.86	7.85	23.47
Investment in term deposits with remaining maturity less than 12 months	330.17	67.21	59.82
<b>Total</b>	<b>354.03</b>	<b>75.06</b>	<b>83.29</b>

14 Loans (current)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Measured at amortised cost (Unsecured, considered good)</b>			
Loans to employees	4.65	1.77	1.88
<b>Total</b>	<b>4.65</b>	<b>1.77</b>	<b>1.88</b>

15 Other financial assets (current)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Measured at amortised cost (Unsecured, considered good)</b>			
<b>Interest accrued but not due on</b>			
-term deposits	7.23	0.43	0.04
-others	7.36	2.53	1.40
Security deposit	2.16	0.66	0.52
<b>Total</b>	<b>16.75</b>	<b>3.62</b>	<b>1.96</b>

16 Other assets (current)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Unsecured, considered good</b>			
Advance for supply of goods/ services			
- Others	203.13	181.75	421.69
- Related parties	0.76	23.71	-
Balance with government authorities	46.70	4.16	-
Staff advances	0.17	0.05	0.05
Prepaid expenses	19.53	11.50	8.89
<b>Total</b>	<b>270.29</b>	<b>221.17</b>	<b>430.63</b>

17 Equity Share Capital

Current reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorized Share Capital				
Equity Share Capital of INR 10 each	25,00,00,000	2,500.00	2,25,00,000	225.00
<b>Issued, subscribed and fully paid up</b>				
Equity Share Capital of INR 10 each	24,10,02,000	2,410.02	2,00,90,300	200.90

Previous reporting period

Particulars	As at March 31, 2023		As at April 01, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorized Share Capital				
Equity Share Capital of INR 10 each	2,25,00,000	225.00	2,25,00,000	225.00
<b>Issued, subscribed and fully paid up</b>				
Equity Share Capital of INR 10 each	2,00,90,300	200.90	2,00,90,300	200.90



**Sambhv Steel Tubes Limited**  
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(All amounts in Indian Rupees millions, unless mentioned otherwise)

**17.1 Reconciliation of number of shares and amount:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	2,00,90,300	200.90	2,00,90,300.00	200.90
Add: Fresh Issue of equity shares during the year	40,09,900	40.10	-	-
Add: Bonus issue of equity shares during the year	21,69,01,800	2,169.02	-	-
Balance as at the end of the year	24,10,02,000	2,410.02	2,00,90,300.00	200.90

Particulars	As at March 31, 2023		As at April 01, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	2,00,90,300.00	200.90	2,00,90,300.00	200.90
Issued during the year	-	-	-	-
Balance as at the end of the year	2,00,90,300.00	200.90	2,00,90,300.00	200.90

**17.2 Terms/rights attached to Equity Shares**

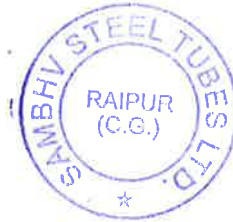
(a) The company has only one class of equity shares having at par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

(b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.3 During the year, the Company has allotted 40,09,900 equity shares of face value of INR 10 each (aggregating INR 40.10 millions) at a premium of INR 365 per equity share (aggregating INR 1,463.61 millions) through private placement. The share issue expenses of INR 50.48 millions have been adjusted against Security premium.

17.4 Shares allotted as Fully Paid-Up pursuant to Extraordinary General Meeting (EGM) without payment being received in cash during the year or five years immediately preceding the date of the Balance Sheet are as under:-

During the FY 2023-2024, the company had issued 21,69,01,800 fully paid bonus shares in the ratio of 9:1 (i.e. 9 bonus shares of INR 10 each against 1 equity share of INR 10 each to every shareholder as on March 12, 2024).



17.5 Shareholders holding more than 5% paid up Equity share capital

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Ganpati Sponge Iron Private Limited	-	-	19,33,300	9.62%
Mrs. Rinku Goyal	1,61,80,100	6.71%	16,18,010	8.05%
Mrs. Archana Goyal	1,61,80,000	6.71%	16,18,000	8.05%
Mrs. Sheetal Goyal	1,61,80,000	6.71%	16,18,000	8.05%
Mrs. Suman Goyal	1,62,05,000	6.72%	16,20,500	8.07%
Mrs. Kaushalya Devi Goyal	1,61,80,000	6.71%	16,18,000	8.05%
Mr. Brijlal Goyal	1,72,40,000	7.15%	17,24,000	8.58%
Mr. Suresh Kumar Goyal	1,72,40,000	7.15%	17,24,000	8.58%
Mr. Vikas Kumar Goyal	1,72,40,000	7.15%	17,23,990	8.58%
Mr. Ashish Goyal	1,72,39,600	7.15%	17,23,950	8.58%
Mr. Manoj Kumar Goyal	1,72,35,100	7.15%	17,23,510	8.58%

Shareholders holding more than 5% paid up Equity share capital

Name of Shareholders	As at March 31, 2023		As at April 01, 2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Ganpati Sponge Iron Private Limited	19,33,300	9.62%	33,33,300	16.59%
Mrs. Rinku Goyal	16,18,010	8.05%	8,47,510	4.22%
Mrs. Archana Goyal	16,18,000	8.05%	7,55,000	3.76%
Mrs. Sheetal Goyal	16,18,000	8.05%	6,60,000	3.29%
Mrs. Suman Goyal	16,20,500	8.07%	22,70,000	11.30%
Mrs. Kaushalya Devi Goyal	16,18,000	8.05%	21,60,000	10.75%
Mr. Brijlal Goyal	17,24,000	8.58%	25,26,500	12.58%
Mr. Suresh Kumar Goyal	17,24,000	8.58%	23,96,000	11.93%
Mr. Vikas Kumar Goyal	17,23,990	8.58%	15,16,940	7.55%
Mr. Ashish Goyal	17,23,950	8.58%	21,81,000	10.86%
Mr. Manoj Kumar Goyal	17,23,510	8.58%	10	0.00%

17.6 Shareholding of Promoter

Shares held by promoters at the end of the year	As at March 31, 2024		As at March 31, 2023		% Change during
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Promoter name					
Mr. Brijlal Goyal ^	1,72,40,000	7.15%	-	-	-
Mr. Suresh Kumar Goyal#	1,72,40,000	7.15%	17,24,000	8.58%	-16.64%
Mr. Vikas Kumar Goyal#	1,72,40,000	7.15%	17,23,990	8.58%	-16.64%
Mr. Shashank Goyal*	74,40,000	3.09%	-	-	100.00%
Mr. Rohit Goyal*	74,40,000	3.09%	-	-	100.00%
Shri Ashish Goyal*	-	-	17,23,950	8.58%	-
Shri Manoj Kumar Goyal*	-	-	17,23,510	8.58%	-
Mrs. Sheetal Goyal ^	1,61,80,000	6.71%	-	-	-
<b>Total</b>	<b>8,27,80,000</b>	<b>34.35%</b>	<b>68,95,450</b>	<b>34.32%</b>	<b>-</b>

Shares held by promoters at the end of the year	As at March 31, 2023		As at April 01, 2022		% Change during
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Promoter name					
Shri Suresh Kumar Goyal	17,24,000	8.58%	23,96,000	11.93%	-28.05%
Shri Ashish Goyal*	17,23,950	8.58%	-	0.00%	8.58%
Shri Manoj Kumar Goyal*	17,23,510	8.58%	-	0.00%	8.58%
Shri Vikas Kumar Goyal	17,23,990	8.58%	15,16,940	7.55%	13.65%
<b>Total</b>	<b>68,95,450</b>	<b>34.32%</b>	<b>39,12,940</b>	<b>19.48%</b>	<b>-</b>

\*As per annual return of the company for the year ended March 31, 2023, the Company had considered Mr. Ashish Goyal and Mr. Manoj Kumar Goyal as Promoters of the company. However, based on certain subsequent developments and board of directors evaluation as per SEBI ICDR Regulations, both the above promoters are categorized as members of Promoter Group as defined in the SEBI Regulations. Both of the above promoters are having 1,72,39,600 and 1,72,35,100 number of equity shares as on March 31, 2024, 17,23,950 and 17,23,510 number of equity shares as on March 31, 2023 and 21,81,000 and 10 number of equity shares as on April 01, 2022 respectively.

Further Mr. Shashank Goyal and Mr. Rohit Goyal are identified as promoters during 2023-24 and they were not holding any equity share till March 31, 2023.

^ During the year ended March 31, 2024, the Company has considered Mr. Brijlal Goyal and Mrs. Sheetal Goyal as Promoters. They held 1,72,40,000 and 1,61,80,000 of equity shares as on March 31, 2024, 17,24,000 and 16,18,000 of equity shares as on March 31, 2023 respectively.

#During the financial year 2023-2024 the company has issued fresh equity share capital pursuant to which there is a change of 16.64% in shareholding.





18 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Securities Premium</b>			
Balance at the beginning of the year	66.67	66.67	
- Issue of equity shares during the year	1,463.61	-	
- Bonus shares issued during the year	(1,479.80)	-	
- Share Issue Expenses	(50.48)	-	
<b>Balance at the end of the year (a)</b>	-	66.67	66.67
<b>Retained Earnings</b>			
<b>Surplus /(deficit) in the statement of profit and loss (Retained Earnings)</b>			
Balance at the beginning of the year	1,836.40	1,225.40	
Add:- Profit/ (Loss) for the Year	824.39	603.83	
Less: Bonus equity shares issued during the year	(689.22)	-	
Other comprehensive income (net of tax)	1.23	7.17	
<b>Balance at the end of the year (b)</b>	1,972.80	1,836.40	1,225.40
<b>Total (a+b)</b>	1,972.80	1,903.07	1,292.07

**Nature and purpose of reserves**

18.1 **Securities premium** - Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

18.2 **Retained Earnings:**

Surplus /(deficit) in the Ind AS statement of profit and loss are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Surplus /(deficit) in the statement of profit and loss is a free reserve available to the Company.

Other Comprehensive Income : It includes re-measurement loss / (gain) on defined benefit obligations, net of taxes that will not be reclassified to Ind AS statement of Profit and Loss.



19 Borrowings (at amortised cost)

19.1 Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Secured</b>			
Term loans from banks	2,168.94	1,739.24	1,318.05
Vehicle loans	20.78	33.71	45.85
<b>Unsecured Loans</b>			
Loan from related parties (Refer Note 38)	-	229.69	139.26
Loan from others*	-	27.79	125.19
	<b>2,189.72</b>	<b>2,030.43</b>	<b>1,628.35</b>
<b>Less : Current maturities of non current borrowings</b>			
Term Loans from Banks	363.39	323.94	246.08
Vehicle Loans	12.05	16.57	17.27
<b>Total</b>	<b>1,814.28</b>	<b>1,689.92</b>	<b>1,365.00</b>
Borrowings guaranteed by directors (Including Current maturities of non current borrowings)	2,133.54	1,684.70	1,242.96

\* Includes loan from other corporates

- (i) Rupee Term Loans from Axis bank of INR 120.00 millions (March 31, 2023 : INR 150.00 millions, April 01, 2022 : Nil) secured by a First pari-passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by second pari-passu hypothecation charge on the entire current assets of the borrower, both present & future charge by way of equitable mortgage in favour of the said bank and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd. are repayable in 16 equal quarterly instalments which carries rate of interest for the year ended March 31, 2024 at the rate of 9.65% p.a. (March 31, 2023 : 10% p.a., April 01, 2022 : Nil).
- (ii) Rupee Term Loans from SBI bank INR 451.16 millions (March 31, 2023 : INR 56.08 millions, April 01, 2022 : Nil) secured by a First pari-passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by second pari-passu hypothecation charge on the entire current assets of the borrower, both present & future charge by way of equitable mortgage in favour of the said banks and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd. are repayable in 27 ballooning quarterly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate of 9.65% p.a. (March 31, 2023 : 9.30% p.a., April 01, 2022 : Nil).
- (iii) Rupee Term Loans from YES bank of INR 94.59 millions (March 31, 2023 : INR 133.73 millions, April 01, 2022 : INR 126.02 millions) secured by a First pari-passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by second pari-passu hypothecation charge on the entire current assets of the borrower, both present & future charge by way of equitable mortgage in favour of the said banks and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd. are repayable in 23 equal monthly instalments respectively, which carries rate of interest for the year ended March 31, 2024 from at the rate of 9.66% p.a. (March 31, 2023 : 9.45% p.a., April 01, 2022 : 9.25% p.a.).
- (iv) Rupee Term Loans from YES bank of INR 15.12 millions (March 31, 2023 : INR 15.12 millions, April 01, 2022 : INR 24.12 millions) secured by a First pari-passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by second pari-passu hypothecation charge on the entire current assets of the borrower, both present & future charge by way of equitable mortgage in favour of the said banks and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd. are repayable in Nil equal monthly instalments, which carries rate of interest for the year ended March 31, 2024 from at the rate of 9.60% p.a. (March 31, 2023 : 9.45% p.a., April 01, 2022 : 9.25% p.a.).
- (v) Rupee Term Loans from HDFC Bank of INR 13.20 millions (March 31, 2023 : INR 37.60 millions, April 01, 2022 : INR 58.80 millions) secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) are repayable in 2 ballooning quarterly instalments respectively, which carries rate of interest for the year ended March 31, 2024 at the rate of 9.65% p.a. (March 31, 2023 : 10.24% p.a., April 01, 2022 : 7.20% p.a.).
- (vi) Rupee Term Loans from HDFC Bank of INR 19.80 millions (March 31, 2023 : INR 56.40 millions, April 01, 2022 : INR 88.20 millions) secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) are repayable in 2 ballooning quarterly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate of 9.65% p.a. (March 31, 2023 : 10.24% p.a., April 01, 2022 : 7.20% p.a.).
- (vii) Rupee Term Loans from HDFC Bank of INR 74.20 millions (March 31, 2023 : INR 147.80 millions, April 01, 2022 : INR 221.40 millions) secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) are repayable in 19 equal quarterly instalments respectively, which carries rate of interest for the year ended March 31, 2024 at the rate of 9.65% p.a. (March 31, 2023 : 10.24% p.a., April 01, 2022 : 7.20% p.a.).





Sambhv Steel Tubes Limited

(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

Corporate Identity Number:U27320CT2017PLC007918

Notes to the Ind AS Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees millions, unless mentioned otherwise)

- (viii) Rupee Term Loan of INR 625.31 millions (March 31, 2023 : INR 444.00 millions, April 01, 2022 : Nil ) from HDFC Bank, secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 32 ballooning quarterly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.50% p.a. (March 31, 2023 : 9.25% p.a., April 01, 2022 : Nil)
- (ix) Rupee Term Loan of INR 196.00 millions (March 31, 2023 : INR 226.00 millions, April 01, 2022 : INR 244.00 millions ) from HDFC Bank, secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 39 ballooning monthly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.65% p.a. (March 31, 2023 : 10.24% p.a., April 01, 2022 : 7.20% p.a.)
- (x) Rupee Term Loan of INR 179.60 millions (March 31, 2023 : INR 219.60 millions, April 01, 2022 : INR 247.60 millions ) from HDFC Bank, secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 12 ballooning quarterly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.65% p.a. (March 31, 2023 : 10.24% p.a., April 01, 2022 : 7.20% p.a.)
- (xi) Rupee Term Loan of INR 190.00 millions (March 31, 2023 : Nil, April 01, 2022 : Nil ) from HDFC Bank, secured by a first pari passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future and secured by hypothecation charge on the entire current assets of the borrower, both present & future and also secured by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarelal Ispat Pvt Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 31 equal quarterly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.30% p.a. (March 31, 2023 : Nil, April 01, 2022 : Nil)
- (xii) Rupee Government emergency credit line Term Loan of INR 56.30 millions (March 31, 2023 : INR 85.68 millions, April 01, 2022 : INR 115.05 millions ) from HDFC Bank, secured by second pari-passu hypothecation charge on the entire current assets of the Borrower, both present & future and also secured by second pari-passu charge by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans on all that pieces and parcels of diverted Industrial land and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 23 equal monthly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.25% p.a. (March 31, 2023 : 9.25% p.a., April 01, 2022 : 8.20% p.a.)
- (xiii) Rupee Government emergency credit line Term Loan of INR 119.10 millions (March 31, 2023 : INR 119.10 millions, April 01, 2022 : INR 119.10 millions ) from HDFC Bank, secured by second pari-passu hypothecation charge on the entire current assets of the Borrower, both present & future and also secured by second pari-passu charge by way of equitable mortgage in favour of the said banks for working capital limits and for Term loans on all that pieces and parcels of diverted Industrial land and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Sheetal Goyal (Wife of Vikas Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Archana Goyal (Wife of Ashish Goyal) Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., Brijdhham Polymers Pvt Ltd. and Acecon estate India Pvt Ltd. ( till April 01, 2022) is repayable in 48 equal monthly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.25% p.a. (March 31, 2023 : 7.25% p.a., April 01, 2022 : 7.25% p.a.)
- (xiv) Rupee Government emergency credit line Term Loan of INR 25.91 millions (March 31, 2023 : INR 40.10 millions, April 01, 2022 : INR 55.70 millions ) from SBI Bank, secured by second pari-passu charge by way of equitable mortgage in favour of the said banks for GECL loans granted by SBI on all pieces and parcels of diverted Industrial land is repayable in 22 equal monthly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.25% p.a. (March 31, 2023 : 8.65% p.a., April 01, 2022 : 7.95% p.a.)
- (xv) Rupee Government emergency credit line Term Loan of INR 9.49 millions (March 31, 2023 : INR 14.44 millions, April 01, 2022 : INR 19.39 millions ) from YES Bank, secured by second pari-passu charge by way of equitable mortgage in favour of the said banks for GECL loans granted by YES bank on all pieces and parcels of diverted Industrial land is repayable in 23 equal monthly instalments, which carries rate of interest for the year ended March 31, 2024 at the rate 9.25% p.a. (March 31, 2023 : 9.25% p.a., April 01, 2022 : 8.45% p.a.)
- (xvi) Vehicle loan taken by the company is secured by hypothecation of the vehicle. These loans are payable in ranges from 36 months to 60 months in monthly instalments over the loan tenure which carries interest from 7.00% p.a. to 10.51% p.a.





19.2 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Secured</b>			
Working capital loans from banks			
Current maturities of non current borrowings	580.13	623.14	784.53
-Term loans from banks			
-Vehicle loans	363.39	323.94	246.08
<b>Unsecured</b>			
Bill discounting from bank (refer note no 19.2 (j) and (ii) below)	12.05	16.57	17.27
<b>Total</b>	<b>698.91</b>	<b>174.15</b>	<b>-</b>
<b>Borrowings guaranteed by directors (Excluding Current maturities of non current borrowings)</b>	<b>1,654.48</b>	<b>1,137.80</b>	<b>1,047.88</b>
	<b>1,279.04</b>	<b>797.29</b>	<b>784.53</b>

Notes :

- (i) Bill discounting from Kotak Mahindra Bank INR 404.60 million (March 31, 2023: INR 174.15 million and April 01, 2022: Nil) and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal).
- (ii) Bill discounting from Federal Bank INR 294.31 million (March 31, 2023: Nil and April 01, 2022: Nil) and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal).
- (iii) Working capital loans secured by a First pari-passu hypothecation charge on the entire current assets of the borrower both present & future and secured by second pari-passu hypothecation charge on the entire moveable & immovable fixed assets of the borrower, including land, plant & machinery, equipments, etc, both present & future in favour of said banks for working capital granted by Axis Bank, State Bank of India, HDFC Bank, Yes Bank & Bank of Baroda and personal guarantee provided by Mr. Vikas Kumar Goyal (Managing Director), Mr. Suresh Kumar Goyal (Executive Director), Mr. Ashish Goyal (Brother of Suresh Kumar Goyal), Mr. Brijlal Goyal (Father of Suresh Kumar Goyal), Mr. Manoj Kumar Goyal (Brother of Suresh Kumar Goyal), Mrs. Suman Goyal (Wife of Suresh Kumar Goyal), Mrs. Kaushalya Devi Goyal (Mother of Suresh Kumar Goyal), Mrs. Rinku Goyal (Wife of Manoj Kumar Goyal) and Corporate guarantee provided by Ganpati Sponge Iron Pvt. Ltd., S. Pyarela Ispat Pvt. Ltd., which carries rate of interest at the rate ranging from 8% p.a. to 10% p.a.

19.3 Summary of secured and unsecured loans as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Secured</b>			
Non current borrowings	2,189.72	1,772.95	1,363.90
Current borrowings	580.13	623.14	784.53
<b>Unsecured</b>			
Non current borrowings	-	257.48	264.45
Current borrowings	698.91	174.15	-
<b>Total</b>	<b>3,468.76</b>	<b>2,827.72</b>	<b>2,412.88</b>

20 Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Non-current	35.35	22.36	2.04
Current	1.29	0.45	1.48
<b>Total</b>	<b>36.64</b>	<b>22.81</b>	<b>3.52</b>

20.1 Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Opening Balance	22.81	3.52	-
Addition on account of transition to Ind AS 116	-	-	3.52
Additions during the year, Addition on account of new leases	14.35	24.25	-
Add: Finance Charges, Interest on lease liabilities	2.18	1.32	-
Less: Repayment, Payments towards lease liabilities	(2.63)	(2.91)	-
Less: Modifications, Remeasurement of lease liabilities	(0.07)	(3.37)	-
<b>Balance at the end of the year</b>	<b>36.64</b>	<b>22.81</b>	<b>3.52</b>

20.2 The incremental borrowing rate applied for lease liabilities is 11.07%p.a for the year ended March 31, 2024, 8.55%p.a for the year ended March 31, 2023 and 9.12%p.a on April 01, 2022.

20.3 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Less than one year			
1-3 years	1.29	0.45	1.48
More than three years	3.43	1.16	2.04
<b>Total</b>	<b>36.64</b>	<b>22.81</b>	<b>3.52</b>

20.4 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

20.5 The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.



21 Provisions (Non-current)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Provision for employee benefits - for gratuity (refer note 44 )	12.84	7.87	8.33
Provision for employee benefits - for leave encashment (refer note 44 )	1.17	0.59	0.61
<b>Total</b>	<b>14.01</b>	<b>8.46</b>	<b>8.94</b>

22 Deferred tax liabilities (net)

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes at the reporting date and the corresponding tax bases used in the computation of taxable profit.

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

22.1 Deferred tax liabilities (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements as follows:

Deferred tax balance in relation to	As at March 31, 2023	Recognised / reversed through profit and loss	Recognised in other comprehensive income	As at March 31, 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment	143.14	47.40	-	190.54
Right-of-use asset	5.63	3.24	-	8.87
Borrowings	1.62	(0.13)	-	1.49
<b>Subtotal (A)</b>	<b>150.39</b>	<b>50.51</b>	<b>-</b>	<b>200.90</b>
<b>Deferred tax assets</b>				
Allowance for doubtful debts and advances (Expected credit loss)	0.10	(0.05)	-	0.05
Provisions for defined benefit obligation	2.48	2.06	(0.41)	4.13
Lease liabilities	5.74	3.48	-	9.22
<b>Subtotal (B)</b>	<b>8.32</b>	<b>5.49</b>	<b>(0.41)</b>	<b>13.40</b>
<b>Total (A-B)</b>	<b>142.07</b>	<b>45.02</b>	<b>0.41</b>	<b>187.50</b>

Deferred tax balance in relation to	As at April 01, 2022	Recognised / reversed through profit and loss	Recognised in other comprehensive income	As at March 31, 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment	99.09	44.05	-	143.14
Right-of-use asset	0.88	4.75	-	5.63
Borrowings	0.34	1.28	-	1.62
<b>Subtotal (A)</b>	<b>100.31</b>	<b>50.08</b>	<b>-</b>	<b>150.39</b>
<b>Deferred tax Assets</b>				
Allowance for doubtful debts and advances (Expected credit loss)	0.08	0.02	-	0.10
Provisions for defined benefit obligation	2.32	2.58	(2.42)	2.48
Lease liabilities	0.89	4.85	-	5.74
<b>Subtotal (B)</b>	<b>3.29</b>	<b>7.45</b>	<b>(2.42)</b>	<b>8.32</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>97.02</b>	<b>42.63</b>	<b>2.42</b>	<b>142.07</b>

22.2 Income tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(a) Current tax:</b>		
Current year	238.24	164.71
<b>Total (a)</b>	<b>238.24</b>	<b>164.71</b>
<b>(b) Deferred tax:</b>		
Deferred tax recognised in statement of Profit or Loss	45.02	42.63
Deferred tax recognised in Other Comprehensive Income	0.41	2.42
<b>Total (b)</b>	<b>45.43</b>	<b>45.05</b>
<b>Total Tax Expense (a+b)</b>	<b>283.67</b>	<b>209.76</b>

22.3 Reconciliation of Effective Tax Rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit Before Tax	1,107.65	811.17
Applicable Tax Rate (Enacted tax rate in India)	25.17%	25.17%
<b>Expected income tax expense at statutory tax rate</b>	<b>276.77</b>	<b>204.16</b>
Tax effect of:		
Income taxable separately	(0.06)	-
Expenses not deductible for tax purposes	5.39	3.41
Expenses deductible for tax purposes	(0.67)	(1.37)
Others	0.24	3.56
<b>Tax expense for the year</b>	<b>283.67</b>	<b>209.76</b>
<b>Effective income tax rate</b>	<b>25.61%</b>	<b>25.86%</b>



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**23 Trade Payables**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Trade Payables			
- related parties (refer note 38)	41.36	55.50	0.44
- others	936.32	227.35	309.34
<b>Total</b>	<b>977.68</b>	<b>282.85</b>	<b>309.78</b>

**Break up of payables in MSME or Non- MSME**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
(a) Total outstanding dues of micro and small enterprises (refer note 23.1)	17.98	1.26	8.13
(b) Total outstanding dues of creditors other than micro and small enterprises	959.70	281.59	301.65
<b>Total</b>	<b>977.68</b>	<b>282.85</b>	<b>309.78</b>

**23.1 Disclosure of due to the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006"**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
a). Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	17.98	1.26	8.13
b). Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	1.18	0.01	0.01
c). Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year;	-	-	-
d). The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
e). The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.;	-	-	-
f). The amount of interest accrued and remaining unpaid at the end of each accounting year; and	<b>1.20</b>	<b>0.02</b>	<b>0.01</b>
g). The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-



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**23.2 Trade Payable ageing**

As at March 31, 2024

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro and small enterprises	17.95	0.03	-	-	17.98
(ii) Total outstanding dues of creditors other than micro and small enterprises	940.77	18.20	0.73	-	959.70
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
<b>Total</b>	<b>958.72</b>	<b>18.23</b>	<b>0.73</b>	<b>-</b>	<b>977.68</b>

As at March 31, 2023

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro and small enterprises	1.26	-	-	-	1.26
(ii) Total outstanding dues of creditors other than micro and small enterprises	229.85	51.74	-	-	281.59
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
<b>Total</b>	<b>231.11</b>	<b>51.74</b>	<b>-</b>	<b>-</b>	<b>282.85</b>

As at April 01, 2022

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro and small enterprises	8.13	-	-	-	8.13
(ii) Total outstanding dues of creditors other than micro and small enterprises	235.41	66.23	-	-	301.64
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
<b>Total</b>	<b>243.54</b>	<b>66.23</b>	<b>-</b>	<b>-</b>	<b>309.77</b>





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**24 Other financial liability (current)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Measured at amortised cost (Unsecured, considered good)</b>			
<b>Interest Accrued but not due</b>			
-on borrowings	16.47	13.31	8.65
-on Others*	1.20	0.02	0.01
Capital creditors	76.33	34.93	23.77
Employee dues payable	33.61	20.47	16.99
<b>Total</b>	<b>127.61</b>	<b>68.73</b>	<b>49.42</b>

\*pertains to interest on outstanding dues of micro and small enterprises.

**25 Other liabilities (current)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Statutory dues payable*	51.28	32.36	37.58
Contract liabilities**	83.51	24.18	42.30
<b>Total</b>	<b>134.79</b>	<b>56.54</b>	<b>79.88</b>

\*It include tax deducted at source, tax collected at source, goods and services tax, employee state insurance and provident fund payable.

\*\*Contract liabilities are received on contracts entered with customers for which performance obligations are yet to be performed, therefore, revenue will be recognized when the goods are passed on to the customers.

**25.1 Contract liability**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Opening contract liabilities	24.18	42.30	23.65
Less: Amount recognised in revenue	24.06	42.30	23.65
Add: Amount received in advance during the year	83.39	24.18	42.30
Less: Amount refunded to customers	-	-	-
<b>Closing contract liabilities</b>	<b>83.51</b>	<b>24.18</b>	<b>42.30</b>

**26 Provisions (current)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Provision for employee benefits - for gratuity (refer note 44)	2.03	1.26	0.12
Provision for employee benefits - for leave encashment (refer note 44)	0.45	0.23	0.17
<b>Total</b>	<b>2.48</b>	<b>1.49</b>	<b>0.29</b>

**27 Current tax liabilities (net)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Provision for income tax expenses*	69.05	6.72	130.39
<b>Total</b>	<b>69.05</b>	<b>6.72</b>	<b>130.39</b>

\*Net of advance tax and TDS INR 174.44 millions (March 31, 2023 INR 160.80 millions and April 01, 2022 INR 79.96 millions)



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**28 Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sale of products</b>		
Finished goods	11,733.02	8,778.75
Stock-in-trade	1,085.21	583.37
<b>Subtotal (I)</b>	<b>12,818.23</b>	<b>9,362.12</b>
<b>Other operating revenue</b>		
Job work income	39.07	9.64
Export incentives	0.27	0.44
<b>Subtotal (II)</b>	<b>39.34</b>	<b>10.08</b>
<b>Total revenue from operations</b>	<b>12,857.57</b>	<b>9,372.20</b>

28.1 Ind AS 115 "Revenue from Contracts with Customers" applies, with limited exceptions, to all revenue arising from contracts with its customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2022 which does not require restatement of comparative period. The Company elected to apply the standard to all contracts as at April 01, 2022. Payment terms with customers vary depending upon the contractual terms of each contract.

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

28.3

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price, net of returns	13,122.79	9,465.99
<b>Adjustment for:</b>		
Discounts and incentives as per contract/schemes	(304.56)	(103.87)
<b>Revenue from contract with customers</b>	<b>12,818.23</b>	<b>9,362.12</b>

**28.4 Contract balances**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade receivables (Refer Note 11)	940.97	345.65
Contract liabilities (Refer Note 25.1)	83.51	24.18

28.5 Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed. Contract liabilities include advances received for sale of goods. The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

**28.6 Product-wise revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
ERW black pipes and tubes	9,448.15	3,569.37
Blooms / Slabs	1,363.51	2,026.47
GI Pipes	813.24	431.02
HR Coil	250.96	2,593.11
Others	942.37	742.15
<b>Total</b>	<b>12,818.23</b>	<b>9,362.12</b>

28.7 The Company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.



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**28.8 Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Geography wise</b>		
Within India	12,807.94	9,362.12
Outside India	10.29	-
<b>Total</b>	<b>12,818.23</b>	<b>9,362.12</b>

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

**29 Other income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
-Bank deposits	14.01	5.76
-Others	8.81	2.82
-from other financial assets carried at amortised cost	0.13	0.12
Gain on sale of current investments (Note 10)	2.68	-
Sale of scrap others	0.83	0.60
Gain on foreign exchange variation (net)	3.56	2.01
Gain on modification/termination of lease	0.07	0.20
Miscellaneous Income	6.09	6.33
<b>Total revenue from operations</b>	<b>36.18</b>	<b>17.84</b>

**30 Cost of materials consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Raw materials and components</b>		
Inventories at the beginning of the year	705.36	837.89
Add: Purchases	8,229.61	6,567.70
Less: Inventories at the end of the year	647.81	705.36
<b>Total revenue from operations</b>	<b>8,287.16</b>	<b>6,700.23</b>

**31 Purchases of stock-in-trade**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases	1,056.93	569.19
<b>Total revenue from operations</b>	<b>1,056.93</b>	<b>569.19</b>





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**32 Changes in inventories of finished goods and stock-in-trade**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Finished goods	620.93	317.19
Stock-in-trade	-	1.33
	<b>620.93</b>	<b>318.52</b>
<b>Inventories at the end of the year</b>		
Finished goods	761.26	620.93
Stock-in-trade	1.92	-
	<b>763.18</b>	<b>620.93</b>
<b>Total revenue from operations</b>	<b>(142.25)</b>	<b>(302.41)</b>

**33 Employee benefit expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	542.79	398.49
Contribution to provident and other funds (Refer Note 44)	7.43	5.68
Staff welfare expenses	21.11	10.44
<b>Total revenue from operations</b>	<b>571.33</b>	<b>414.61</b>

**34 Finance Cost**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest expenses (At amortised cost)</b>		
-on borrowings	295.69	209.69
-on others*	6.42	2.82
-on lease liabilities	2.18	1.32
Other borrowing cost	13.86	4.33
<b>Total revenue from operations</b>	<b>318.15</b>	<b>218.16</b>

\*Include interest on income tax expenses amounting to INR 5.24 millions, INR 2.81 millions and interest on outstanding dues of micro and small enterprises is amounting to INR 1.18 millions and INR 0.01 millions for March 31, 2024 and March 31, 2023 respectively.

**35 Depreciation and amortization expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	206.84	158.61
Depreciation of right of use assets	1.49	2.31
	<b>208.33</b>	<b>160.92</b>
Amortisation of other intangible assets	0.77	0.59
<b>Total</b>	<b>209.10</b>	<b>161.51</b>



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**36 Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of store and spare parts	315.24	220.95
Power and fuel	844.88	397.74
Jobwork charges	79.81	12.29
Freight outwards	19.97	46.13
Rent Expenses	36.29	27.09
Repair and maintenance	-	-
-Plant and Machinery	10.25	15.00
-Other	10.45	6.88
Legal and Professional fees	28.13	36.41
Payment to auditors (Refer Note 36.1)	2.00	0.30
Corporate Social Responsibility (CSR) Expenditure (Refer Note 36.2)	14.98	10.52
Advertisement & Sales promotion expenses	68.58	3.33
Commission Expenses	14.10	11.71
Travelling & Conveyance expenses	14.03	7.78
Security Service expenses	4.41	4.10
Loss on sale of property, plant and equipment (net)	3.25	1.65
Insurance	3.30	4.35
Rates and taxes	1.89	1.20
Balance written off for receivables & advances	0.68	0.43
Allowance for expected credit loss	0.08	0.08
Amortization on loan to employees	0.09	0.07
Donations and contributions	0.01	0.10
Miscellaneous Expenses	13.26	9.47
<b>Total</b>	<b>1,485.68</b>	<b>817.58</b>

**36.1 Details of payment to auditors**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit fees	1.75	0.30
Tax audit fees	0.25	-
<b>Total</b>	<b>2.00</b>	<b>0.30</b>

**36.2 Corporate Social Responsibility (as per Section 135 of the Companies Act, 2013 read with schedule VIII thereof) :**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) gross amount required to be spent by the company during the year	14.93	10.52
(b) amount approved by the Board	14.98	10.52
<b>(c) amount of expenditure incurred</b>	<b>14.91</b>	<b>10.59</b>
(i) Construction / acquisition of assets	4.08	6.52
(ii) On purposes other than (i) above (for CSR projects)	10.83	4.08
Brought forward extra spent from March 31, 2023	0.08	-
<b>(d) Shortfall/ (excess) spent amount at the end of the year</b>	<b>-</b>	<b>(0.08)</b>
(i) Ongoing project	-	-
(ii) Other than ongoing project	-	-
<b>(e) reason for shortfall</b>	<b>-</b>	<b>-</b>
<b>(f) Amount paid in cash</b>	<b>-</b>	<b>-</b>
- in cash	14.91	10.59
- yet to be paid in cash	-	-

(g) Nature of CSR activities includes Rural Development Project, Contribution for Education, Contribution for Health Care, Contribution for Food, Contribution for Shelter.

(h) No contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard



37 Earning per share (EPS)

Basic earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of equity shares outstanding for the year. Diluted earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of shares and diluted potential equity shares outstanding for the year.

The following table reflects the income and share data used in the basic and diluted EPS computations :-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Face value of equity shares (Rs. 10 per share)		
Profit attributable to equity shareholders (A)	824.39	603.83
Equity shares at the beginning of the year		
Impact of Fresh issue effected during the year	2,00,90,300	2,00,90,300
March 31, 2024: allotment of 40,09,900 shares at face value of INR 10 each (March 31, 2023: Nil)	16,66,485	-
Impact of bonus issue effected during the year*		
March 31, 2024: allotment of 21,69,01,800 bonus shares at face value of INR 10 each (March 31, 2023: Nil)	19,58,11,064	18,08,12,700
<b>Weighted average number of equity shares for basic EPS (B)</b>		
Basic EPS (Amount in INR) (A/B)	21,75,67,849	20,09,03,000
	3.79	3.01
Effect of dilution:		
Weighted average number of potential equity shares		
<b>Weighted average number of equity shares adjusted for the effect of dilution (C)</b>		
Diluted EPS (Amount in INR) (A/C)	3.79	3.01
	3.79	3.01

\*During the financial year 2023-2024, the company had issued 21,69,01,800 fully paid bonus shares in the ratio of 9:1 (i.e. 9 bonus shares of INR 10 each against 1 equity share of INR 10 each to every shareholder as on March 12, 2024, including on fresh issue made during the FY 23-24).

38 Related Parties Disclosures

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", with whom transactions have taken place during the year are given below

a Subsidiary Company:

Sambhv Green Steel Private Limited [a wholly owned subsidiary of the Company w.e.f. January 30, 2024 and upto March 20, 2024] [refer note 10(b)]

b Key Managerial Personnel (KMP) (with which, the Company has transactions):

(i) Shri. Vikas Kumar Goyal	Executive Director [ w.e.f. June 01, 2024 becomes Managing Director ]
(ii) Shri Suresh Kumar Goyal	Executive Director [ up to January 27, 2024 & reappointed on March 25, 2024 ]
(iii) Shri Bhavesh Khetan	Executive Director [ w.e.f. July 22, 2023 ]
(iv) Shri Ashish Goyal	Executive Director [ up to March 22, 2024 ]
(v) Shri Manoj Kumar Goyal	Executive Director [ up to March 22, 2024 ]
(vi) Ms. Dhara Budhadev	Company Secretary [ w.e.f. September 01, 2018 & up to October 31, 2020 ]
(vii) Ms. Latika Bakhru	Company Secretary [ w.e.f. August 01, 2021 & up to April 30, 2022 ]
(viii) Ms. Archi Goel	Company Secretary [ w.e.f. January 12, 2023 & up to April 15, 2023 ]
(ix) Ms. Trisha Bajpai	Company Secretary [ w.e.f. April 15, 2023 & up to December 30, 2023 ]

c Key Managerial Personnel (KMP) (w.e.f. July 01, 2024):

(i) Shri. Niraj Shrivastava	Company Secretary [ w.e.f. July 01, 2024 ]
(ii) Ms. Anu Garg	Chief Financial Officer [ w.e.f. July 01, 2024 ]

d Relatives of Key Managerial Personnel (with which, the Company has transactions):

(i) Shri Brijlal Goyal	Father of Suresh Kumar Goyal
(ii) Smt. Kaushalya Devi Goyal	Mother of Suresh Kumar Goyal
(iii) Smt. Sheetal Goyal	Wife of Vikas Kumar Goyal
(iv) Smt. Suman Goyal	Wife of Suresh Kumar Goyal
(v) Smt. Archana Goyal	Wife of Ashish Goyal
(vi) Smt. Rinku Goyal	Wife of Manoj Kumar Goyal
(vii) Shri Harshheet Goyal	Son of Suresh Kumar Goyal
(viii) Shri Rohit Goyal	Son of Suresh Kumar Goyal
(ix) Shri Shashank Goyal	Son of Suresh Kumar Goyal
(x) Smt. Palak Goyal	Daughter-in-Law of Suresh Kumar Goyal [w.e.f. 01 April, 2023]
(xi) Shri Ajay Khetan	Father of Bhavesh Khetan [w.e.f. July 22, 2023]
(xii) Smt. Rama Khetan	Wife of Bhavesh Khetan [w.e.f. July 22, 2023]

e Other (Entities in which the KMP and relatives of KMP have control or significant influence) (with which, the Company has transactions):

(i) Suresh Kumar Goyal & Sons (HUF)
(ii) Brijlal Goyal & Sons (HUF)
(iii) Ashish Kumar Goyal & Sons (HUF)
(iv) Manoj Kumar Goyal & Sons (HUF)
(v) Ganpati Sponge Iron Private Limited
(vi) Goyal Realty & Agriculture Private Limited
(vii) S. Pyarelal Ispat Private Limited
(viii) Niros Ispat Private Limited
(ix) Vikas Kumar Goyal & Sons HUF (Anjaneya Ispat)
(x) Agarsen Rerollers Pvt Ltd.
(xi) Avinash Ispat Private Limited
(xii) Sadhguru Pipes LLP
(xiii) Brijdham Minerals Private Limited (Formerly known as Brijdham Polymerce Pvt Ltd)
(xiv) Brijwasi Plastic Private Limited
(xv) Sambhv Tubes Private Limited
(xvi) Sambhv Life Science Pvt Ltd.
(xvii) Lingraj Steel And Power Private Limited



38.1 Details of transaction during the year with related parties:

Transactions with related parties during the year:

Nature of Transaction	Party Name	For the year ended March 31, 2024	For the year ended March 31, 2023
Advances Given	Brijwasi Plastic Private Limited	12.50	-
	Ganpati Sponge Iron Private Limited	-	-
	Niros Ispat Private Limited	120.00	-
	S. Pyarelal Ispat Private Limited	95.00	60.00
	Sambhv Tubes Private Limited	43.50	-
Advances Received Back	Brijwasi Plastic Private Limited	12.50	-
	Ganpati Sponge Iron Private Limited	-	-
	Niros Ispat Private Limited	120.00	-
	S. Pyarelal Ispat Private Limited	95.00	60.00
	Sambhv Tubes Private Limited	43.50	-
Remuneration to KMP	Bhavesh Khetan	6.75	-
	Manoj Kumar Goyal	-	8.40
	Suresh Kumar Goyal	16.50	9.60
	Vikas Kumar Goyal	18.00	9.60
	Latika Bakhru	-	0.02
	Archi Goel	-	0.04
	Trisha Bajpai	0.14	-
Remuneration to Relatives of KMP	Harsheet Goyal	9.60	-
	Palak Goyal	9.60	-
	Shashank Goyal	9.60	-
	Rama Khetan	1.75	-
	Sadhguru Pipes LLP	0.32	-
Other Service income	Sadhguru Pipes LLP	0.32	-
	Interest on Unsecured Loan (including interest on loan)		
	Vikas Kumar Goyal & Sons HUF	2.36	1.44
	Archana Goyal	0.06	0.22
	Ashish Goyal	0.52	0.86
	Ashish Kumar Goyal & Sons (HUF)	2.53	2.88
	Bhavesh Khetan	0.75	-
	Ajay Khetan	0.24	-
	Brijlal Goyal	0.46	1.30
	Brijlal Goyal & Sons (HUF)	0.12	0.11
	Ganpati Sponge Iron Private Limited	-	-
	Goyal Realty & Agriculture Pvt Ltd	0.02	0.15
	Harsheet Goyal	0.37	0.35
	Kaushalya Devi Goyal	0.51	0.74
	Manoj Kumar Goyal	0.25	0.66
	Manoj Kumar Goyal & Sons (HUF)	0.83	0.79
	Niros Ispat Private Limited	-	-
	Rinku Goyal	0.09	0.50
	Rohit Goyal	0.34	0.15
	S. Pyarelal Ispat Private Limited	4.67	9.13
	Shashank Goyal	0.36	0.07
	Sheetal Goyal	0.41	0.45
	Suman Goyal	0.30	1.34
Suresh Kumar Goyal	0.20	0.52	
Suresh Kumar Goyal & Sons (HUF)	0.41	0.85	
Vikas Kumar Goyal	0.27	0.65	
Interest received on advances given	Ganpati Sponge Iron Private Limited	-	-
	Niros Ispat Private Limited	0.73	-
	Brijwasi Plastic Private Limited	0.02	-
	Sambhv Tubes Private Limited	0.98	-
	S. Pyarelal Ispat Private Limited	0.52	0.99
Interest received on Late Payment	Sadhguru Pipes LLP	0.15	-
Interest received on Sale LC Discounting	Niros Ispat Private Limited	0.03	-
Jobwork Charges Paid	Ganpati Sponge Iron Private Limited	78.13	-
	Sadhguru Pipes LLP	1.61	-
Purchase of Capital Goods	Agarsen Rerollers Pvt Ltd	2.37	-
	Brijwasi Plastic Private Limited	0.02	-
	Ganpati Sponge Iron Private Limited	0.29	-
	S. Pyarelal Ispat Private Limited	-	-
	Sadhguru Pipes LLP	-	0.05
Purchase of Material (Excl. GST)	Agarsen Rerollers Pvt Ltd	85.34	59.65
	Vikas Kumar Goyal & Sons HUF	59.85	-
	Brijdhanu Minerals Pvt Ltd	6.87	59.01
	Brijwasi Plastic Private Limited	0.05	-
	Ganpati Sponge Iron Private Limited	460.99	461.00
	Lingraj Steel And Power Private Limited	-	20.49
	Niros Ispat Private Limited	29.32	22.85
	S. Pyarelal Ispat Private Limited	34.17	23.64
	Sadhguru Pipes LLP	29.92	14.96





Sambhv Steel Tubes Limited

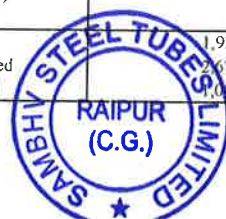
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

Corporate Identity Number:U27320CT2017PLC007918

Notes to the Ind AS Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees millions, unless mentioned otherwise)

Nature of Transaction	Party Name	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Investment	Sambhv Green Steel Private Limited	0.10	-
Reimbursement of Expenses	Sambhv Life Science Pvt. Ltd.	0.10	-
Rent Paid	Ganpati Sponge Iron Private Limited	0.60	0.60
	Sambhv Tubes Private Limited	2.20	-
Rent Received	Vikas Kumar Goyal & Sons HUF	4.80	4.80
Repayment of Unsecured Loan	Vikas Kumar Goyal & Sons HUF	22.71	2.06
	Archana Goyal	1.85	3.93
	Ashish Goyal	31.16	18.43
	Ashish Kumar Goyal & Sons (HUF)	24.15	5.50
	Bhavesh Khetan	10.53	-
	Brijlal Goyal	15.09	23.35
	Brijlal Goyal & Sons (Huf)	1.13	-
	Brijwasi Plastic Private Limited	-	5.75
	Ganpati Sponge Iron Private Limited	-	-
	Goyal Realty & Agriculture Pvt Ltd	0.20	6.32
	Ajay Khetan	6.22	-
	Harsheet Goyal	9.56	0.82
	Kaushalya Devi Goyal	8.41	0.50
	Manoj Kumar Goyal	8.26	17.55
	Manoj Kumar Goyal & Sons (HUF)	10.26	-
	Niros Ispat Private Limited	-	-
	Rinku Goyal	1.26	6.72
	Rohit Goyal	3.83	0.54
	S. Pyarelal Ispat Private Limited	204.32	-
	Shashank Goyal	7.99	0.25
	Sheetal Goyal	4.59	20.53
	Suman Goyal	9.27	5.87
	Suresh Kumar Goyal	10.07	52.67
	Suresh Kumar Goyal & Sons(HUF)	8.19	0.12
	Vikas Kumar Goyal	7.86	26.10
Sale of Capital Goods	Agarsen Rerollers Pvt Ltd	3.77	2.95
	Avinash Ispat Private Limited	-	0.01
	Brijwasi Plastic Private Limited	-	0.67
	Ganpati Sponge Iron Private Limited	3.07	2.01
	Niros Ispat Private Limited	-	-
	S. Pyarelal Ispat Private Limited	0.56	6.10
	Sadhguru Pipes LLP	-	0.00
Sale of Goods (Excl. GST)	Agarsen Rerollers Pvt Ltd	0.65	122.33
	Avinash Ispat Private Limited	-0.04	0.02
	Brijwasi Plastic Private Limited	0.09	0.22
	Ganpati Sponge Iron Private Limited	415.30	876.01
	Niros Ispat Private Limited	51.98	200.20
	S. Pyarelal Ispat Private Limited	114.01	203.13
	Sadhguru Pipes LLP	117.74	342.34
Sale of Investment	Suresh Kumar Goyal	0.05	-
	Vikas Kumar Goyal	0.05	-
Share allotment	Bhavesh Khetan	14.59	-
Transportation Charges Paid	Vikas Kumar Goyal & Sons HUF	10.08	13.02
	Niros Ispat Private Limited	-	-
Unsecured Loan Taken	Vikas Kumar Goyal & Sons HUF	-	10.90
	Archana Goyal	1.20	2.22
	Ashish Goyal	10.90	37.30
	Ashish Kumar Goyal & Sons (HUF)	-	-
	Brijlal Goyal	13.36	11.30
	Brijlal Goyal & Sons (HUF)	-	-
	Brijwasi Plastic Private Limited	-	5.75
	Ganpati Sponge Iron Private Limited	-	-
	Goyal Realty & Agriculture Pvt Ltd	-	-
	Harsheet Goyal	3.95	3.25
	Kaushalya Devi Goyal	0.20	0.40
	Manoj Kumar Goyal	4.15	10.85
	Manoj Kumar Goyal & Sons (HUF)	-	-
	Niros Ispat Pvt Ltd	-	-
	Rinku Goyal	0.40	0.80
	Rohit Goyal	-	2.35
	S. Pyarelal Ispat Private Limited	100.00	100.00
	Shashank Goyal	4.30	3.55
	Sheetal Goyal	-	14.60
	Suman Goyal	-	0.60
	Suresh Kumar Goyal	4.65	41.72
	Suresh Kumar Goyal & Sons (HUF)	-	-
	Vikas Kumar Goyal	3.80	29.10
Corporate guarantee taken (Jointly and severally)	S. Pyarelal Ispat Private Limited	1,922.30	585.40
	Ganpati Sponge Iron Private Limited	2,672.30	1,154.50
	Brijdham Minerals Private Limited	1,000.00	369.10



Balance with related Parties as at year end:

Nature of Balance	Party Name	As at March 31, 2024	As at March 31, 2023
Payables (Including Trade Payables)	Vikas Kumar Goyal & Sons HUF	11.57	3.08
	Brijdlam Minerals Pvt Ltd	-	7.84
	Ganpati Sponge Iron Private Limited	28.25	35.67
	Sambhv Life Science Pvt. Ltd.	0.09	-
	Sadhguru Pipes LLP	0.08	-
	Niros Ispat Private Limited	0.76	3.57
	Agarsen Rerollers Pvt Ltd	-	8.91
Employee dues payable	Sambhv Tubes Private Limited	1.35	-
	Harsheet Goyal	0.93	-
	Bhavesh Khetan	1.35	-
	Vikas Kumar Goyal	2.99	-
	Palak Goyal	1.08	-
	Rama Khetan	0.22	-
	Suresh Kumar Goyal	5.40	-
Unsecured Loan	Shashank Goyal	0.93	-
	Vikas Kumar Goyal & Sons HUF	-	20.58
	Ashish Goyal	-	19.79
	Archana Goyal	-	0.60
	Rohit Goyal	-	3.52
	Rinku Goyal	-	0.78
	Sheetal Goyal	-	4.22
	Manoj Kumar Goyal	-	3.88
	Kaushalya Devi Goyal	-	7.75
	Brijlal Goyal	-	1.32
	Suman Goyal	-	9.00
	Ashish Kumar Goyal & Sons (HUF)	-	21.87
	Suresh Kumar Goyal & Sons (HUF)	-	7.83
	Suresh Kumar Goyal	-	5.25
	Manoj Kumar Goyal & Sons (HUF)	-	9.52
	Brijlal Goyal & Sons (HUF)	-	1.02
	Goyal Realty & Agriculture Pvt Ltd	-	0.18
	S. Pyarelal Ispat Private Limited	-	100.12
	Shashank Goyal	-	3.37
	Harsheet Goyal	-	5.28
	Vikas Kumar Goyal	-	3.82
Receivables (Including Trade Receivables)	Agarsen Rerollers Pvt Ltd	0.02	14.84
	Avinash Ispat Private Limited	-	0.05
	Brijwasi Plastic Private Limited	0.10	-
	Ganpati Sponge Iron Private Limited	-	-
	Niros Ispat Private Limited	0.76	23.71
	S. Pyarelal Ispat Private Limited	-	-
	Sadhguru Pipes LLP	-	2.78

Off Balance Sheet Item

Nature of Balance	Party Name	As at March 31, 2024	As at March 31, 2023
Corporate guarantee taken (Jointly and severally)	S. Pyarelal Ispat Private Limited	3,644.20	1,721.90
	Ganpati Sponge Iron Private Limited	5,730.80	3,058.50
	Brijdlam Minerals Private Limited	1,736.60	736.60

38.2 Summary compensation of Key Management Personnel

Nature of transactions:	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	41.25	27.60
Total	41.25	27.60

38.3 Terms and Conditions:

1. The Company's principal related parties consist of its key managerial personnel, the Company's related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

2. All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

3. Details of loan given, investments made and guarantee given covered under section 186 (4) of the companies Act 2013

The company has given advances in the nature of loans mentioned above in the ordinary course of business for general business purpose.





39 Financial Ratios

Ratios	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance
Current Ratio	Current Asset	Current Liabilities	1.06	1.33	-19.96%	
Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.80	1.35	-40.97%	It has been improved since during the year Equity share capital amounting to INR 1503.71 millions has been issued.
Debt Service Coverage Ratio	Earnings available for debt services = Net profit (Earning after taxes) + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed Asset "Net Profit after tax" means reported amount of "Profit / (loss) for the year" and it does not include items of other comprehensive income.	Interest & Lease Payments + Principal Repayments	0.97	1.24	-21.68%	
Return on Equity Ratio	Net Profit after taxes - Preference dividend (if any)	Average Shareholder's Equity	25.42%	33.57%	-24.30%	
Inventory turnover ratio	Cost of goods sold or Sales	Average Inventory = (Opening and Closing Inventory)/2	6.34	5.30	19.55%	
Trade Receivables turnover ratio	Net credit sales consist of gross credit sales - sales return.	Average Accounts Receivable	19.99	37.33	-46.46%	Decrease in ratio due to increase in Trade receivable and comparatively less increase in turnover.
Trade payables turnover ratio	Net credit purchases consist of gross credit purchases - purchase return.	Average Accounts Payables	14.73	24.09	-38.82%	Decrease in ratio due to increase in Trade payable and comparatively less increase in Purchase.
Net capital turnover ratio	Net sales = total sales - sales returns	Working capital = Current assets - current liabilities	69.22	18.41	276.05%	The Company has improved its working capital requirement, the stock holding days, trade receivable days, trade payable days are better than from last year.
Net profit ratio	Net Profit after tax	Net sales = total sales - sales returns	6.41%	6.44%	-0.48%	
Return on Capital employed	Earnings before interest and taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	17.66%	20.20%	-12.58%	
Return on Investment	Profit on sale of investments	Cost of Investments	0.54%	-	-	

40 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a. Contingent liabilities</b>		
<b>Claims against the Company not acknowledged as debts:</b>		
Excise/Goods & service tax demands (Goods & Services tax demand Demand of GST & penalty because of incomplete E-way bill is pending before Appellate Authority, Jabalpur M.P.)	0.66	0.66
Income Tax Demands	4.45	2.70
<b>b. Outstanding bank guarantees</b>	58.77	19.63
<b>c. Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,063.75	2,837.04
<b>d. Export promotion capital goods scheme</b>		
-Duty Saved	1.82	-
<b>Export Obligation</b>		
-Obligation Fulfilled	-	-
-Obligation yet to be fulfilled	10.93	-



#### 41 Capital Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk. Majorly Company raise long term loan for it's CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

The gearing ratio at end of the reporting period was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Non-current borrowings	1,814.28	1,689.92	1,365.00
Current borrowings	1,654.48	1,137.80	1,047.88
Interest accrued and not due on borrowings	16.47	13.31	8.65
Lease liabilities	36.64	22.81	3.52
<b>Gross Debt</b>	<b>3,521.87</b>	<b>2,863.84</b>	<b>2,425.05</b>
Less : Cash and Cash Equivalents	(75.84)	(1.97)	(0.60)
<b>Net Debt (A)</b>	<b>3,446.03</b>	<b>2,861.87</b>	<b>2,424.45</b>
Total Equity (As per Balance Sheet) (B)	4,382.82	2,103.97	1,492.97
<b>Net Gearing (A/B)</b>	<b>78.63%</b>	<b>136.02%</b>	<b>162.39%</b>

- (i) Equity includes all capital and reserves of the Company that are managed as capital.  
(ii) Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts)

#### 42 Fair Value measurements:

##### (i) Financial Instruments by Category

As at March 31, 2024

Particulars	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>			
<b>At amortized cost</b>			
Loans	-	-	5.55
Trade receivables	-	-	940.97
Cash & cash equivalents	-	-	75.84
Bank balances other than cash and cash equivalents	-	-	354.03
Other financial assets	-	-	169.49
<b>Financial Liabilities</b>			
<b>At Amortized cost</b>			
Non current borrowings	-	-	1,814.28
Lease liabilities	-	-	36.64
Current borrowings	-	-	1,654.48
Trade Payables	-	-	977.68
Other Financial Liabilities	-	-	127.61

As at March 31, 2023

Particulars	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>			
<b>At amortized cost</b>			
Loans	-	-	2.26
Trade receivables	-	-	345.65
Cash & cash equivalents	-	-	1.97
Bank balances other than cash and cash equivalents	-	-	75.06
Other financial assets	-	-	90.40
<b>Financial Liabilities</b>			
<b>At Amortized cost</b>			
Non current borrowings	-	-	1,689.91
Lease liabilities	-	-	22.81
Current borrowings	-	-	1,137.81
Trade Payables	-	-	282.85
Other Financial Liabilities	-	-	68.73



As at March 31, 2022

Particulars	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>			
<b>At amortized cost</b>			
Loans	-	-	2.07
Trade receivables	-	-	156.44
Cash & cash equivalents	-	-	0.60
Bank balances other than cash and cash equivalents	-	-	83.29
Other financial assets	-	-	60.20
<b>Financial Liabilities</b>			
<b>At Amortized cost</b>			
Non current borrowings	-	-	1,365.00
Lease liabilities	-	-	3.52
Current borrowings	-	-	1,047.88
Trade Payables	-	-	309.78
Other Financial Liabilities	-	-	49.42

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are :-

- (a) recognised and measured at fair value and  
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard which are as below

**Level 1 :** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting year

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The company doesn't have any instrument which was value as FVTPL or FVTOCI as on March 31, 2024, March 31, 2023, and April 01, 2022,

(iii) Valuation technique used to determine fair value

- a) the fair values of the FVTOCI investments are derived from quoted market prices in active markets.  
b) the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.  
c) the fair values of the interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own nonperformance risk was assessed to be insignificant.

d) the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

(iv) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 01, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>						
<b>At amortized cost</b>						
Loans	5.55	5.55	2.26	2.26	2.07	2.07
Other financial assets	169.49	169.49	90.40	90.40	60.20	60.20
<b>Financial Liabilities</b>						
<b>At Amortized cost</b>						
Non current borrowings	1,814.28	1,814.28	1,689.91	1,689.91	1,365.00	1,365.00
Lease liabilities	36.64	36.64	22.81	22.81	3.52	3.52
Current borrowings	1,654.48	1,654.48	1,137.81	1,137.81	1,047.88	1,047.88
Other Financial Liabilities	127.61	127.61	68.73	68.73	49.42	49.42



#### 43 Financial Risk Management:

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivable, short term deposits and cash & cash equivalents, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

##### 43.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments and derivative financial instruments. The sensitivity analyses in the following sections relate to the position as at March 31, 2024, March 31, 2023 April 01, 2022.

##### (i) Foreign exchange risk:

The Company's foreign exchange risk arises from foreign currency revenues and expenses, (primarily in US Dollars and Euros). The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials & Capital Purchases. The Company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

Significant foreign currency risk exposure relating to trade receivables, other receivables, cash and cash equivalents, borrowings and trade payables:

##### Currency exposure as at March 31, 2024

Particulars	USD (in Absolute)	Amount in INR Million
Financial assets	-	-
Financial liabilities		
Other financial liabilities	1,950	0.16
	1,950	0.16

##### Currency exposure as at March 31, 2023

Particulars	USD (in Absolute)	Amount in INR Million
Financial assets	-	-
Financial liabilities		
Other financial liabilities	1,00,561	8.19
	1,00,561	8.19

##### Currency exposure as at March 31, 2022

Particulars	USD (in Absolute)	Amount in INR Million
Financial assets	-	-
Financial liabilities		
Other financial liabilities	62,000	4.71
	62,000	4.71

##### Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies on profit/loss before tax. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

##### As at March 31, 2024

Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Payable	(0.16%)	0.16%
Total	(0.16%)	0.16%

##### As at March 31, 2023

Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Payable	(8.19%)	8.19%
Total	(8.19%)	8.19%

##### As at April 01, 2022

Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Payable	(4.71%)	4.71%
Total	(4.71%)	4.71%



(ii) **Commodity price risk:**

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of Iron ore & Pellet, Coal. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended March 31, 2024. The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

The following table details the Company's sensitivity to a 5% movement in the input price of Iron ore and Coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit before tax where the commodity prices decrease by 5% and vice-versa.

**As at March 31, 2024**

Commodity	Impact on profit before tax (Increase in Rate 5%)	Impact on profit before tax (Decrease in Rate 5%)
Iron ore lumps & Pellet	(73.81)	73.81
Coal	(43.20)	43.20
<b>Total</b>	<b>(117.01)</b>	<b>117.01</b>

**As at March 31, 2023**

Commodity	Impact on profit before tax (Increase in Rate 5%)	Impact on profit before tax (Decrease in Rate 5%)
Iron ore lumps/fines	(67.31)	67.31
Coal	(57.60)	57.60
<b>Total</b>	<b>(124.91)</b>	<b>124.91</b>

**As at April 01, 2022**

Commodity	Impact on profit before tax (Increase in Rate 5%)	Impact on profit before tax (Decrease in Rate 5%)
Iron ore lumps/fines	(107.32)	107.32
Coal	(33.66)	33.66
<b>Total</b>	<b>(140.98)</b>	<b>140.98</b>

(iii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Fixed rate borrowings	20.78	291.19	310.30
Floating rate borrowings	3,447.98	2,536.53	2,102.58
<b>Total borrowings (refer note 19)</b>	<b>3,468.76</b>	<b>2,827.72</b>	<b>2,412.88</b>

**Interest rate sensitivity analysis**

A reasonably possible change of 1% in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of liability outstanding on the year end and was outstanding for the whole year. A positive number below indicates an increase in profit before tax where the interest rate decrease by 1% and vice-versa.

**As at March 31, 2024**

Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Floating rate borrowings	(34.48)	34.48
<b>Total</b>	<b>(34.48)</b>	<b>34.48</b>

**As at March 31, 2023**

Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Floating rate borrowings	(25.37)	25.37
<b>Total</b>	<b>(25.37)</b>	<b>25.37</b>

**As at April 01, 2022**

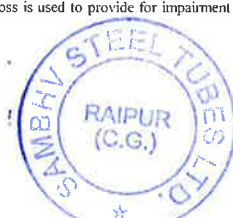
Particulars	Impact on profit before tax (Increase in Rate 1%)	Impact on profit before tax (Decrease in Rate 1%)
Floating rate borrowings	(21.03)	21.03
<b>Total</b>	<b>(21.03)</b>	<b>21.03</b>

**43.2 Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences and hence provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms. For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.





Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number: U27320CT2017PLC007918  
Notes to the Ind AS Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees millions, unless mentioned otherwise)

The movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Balance at the beginning of the year	0.40	0.32	0.15
Provision created during the year	0.09	0.08	0.17
Provision utilised/(reversed) during the year	-	-	-
Balance at the end of the year	0.49	0.40	0.32

#### 4.3.3 Liquidity Risk Management:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a yearly basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities. The Company will continue to consider various borrowings options to maximise liquidity and supplement cash requirements as necessary. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment years and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The tables include both interest and principal cash flows.  
To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

#### Liquidity Exposure as at March 31, 2024

Particulars	Carrying Amount	Contractual Cash Flows			
		Less than 1 year	1 - 5 years	More than 5 years	Total
<b>Financial liabilities</b>					
Borrowings	3,468.76	1,654.48	1,525.73	294.27	3,474.48
Lease liabilities	36.64	4.69	19.25	51.57	75.51
Trade payables	977.68	958.71	18.97	-	977.68
Other financial liabilities	127.61	127.61	-	-	127.61
<b>Total financial liabilities</b>	<b>4,610.69</b>	<b>2,745.49</b>	<b>1,563.95</b>	<b>345.84</b>	<b>4,655.28</b>

#### Liquidity Exposure as at March 31, 2023

Particulars	Carrying Amount	Contractual Cash Flows			
		Less than 1 year	1 - 5 years	More than 5 years	Total
<b>Financial liabilities</b>					
Borrowings	2,827.72	1,137.80	1,474.86	221.46	2,834.12
Lease liabilities	22.81	2.38	9.96	41.91	54.25
Trade payables	282.85	231.12	51.74	-	282.85
Other financial liabilities	68.73	68.73	-	-	68.73
<b>Total financial liabilities</b>	<b>3,202.11</b>	<b>1,440.03</b>	<b>1,536.56</b>	<b>263.37</b>	<b>3,239.95</b>

#### Liquidity Exposure as at April 01, 2022

Particulars	Carrying Amount	Contractual Cash Flows			
		Less than 1 year	1 - 5 years	More than 5 years	Total
<b>Financial liabilities</b>					
Borrowings	2,412.88	1,047.88	1,366.34	-	2,414.22
Lease liabilities	3.52	1.72	2.18	-	3.90
Trade payables	309.78	243.54	66.24	-	309.78
Other financial liabilities	49.41	49.41	-	-	49.41
<b>Total financial liabilities</b>	<b>2,775.59</b>	<b>1,342.55</b>	<b>1,434.76</b>	<b>-</b>	<b>2,777.31</b>





**44 Employee benefit:**

**Defined contribution plan:**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Scheme (ESIC) and other Funds which covers all regular employees.

While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other Statutory Funds are made only by the Company. The contributions are normally based on a certain percentage of the employee's salary.

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Contribution to Provident Fund and Family Pension Fund	4.15	2.74	2.01
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	3.12	2.94	1.91
<b>Total</b>	<b>7.27</b>	<b>5.68</b>	<b>3.92</b>

**Employee benefit plans:**

The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 60, without any payment ceiling. The Gratuity is unfunded.

The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age.

**Risks**

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) **Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

ii) **Interest rate risk** - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) **Longevity risk** - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) **Salary risk** - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2024 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund and decides its contribution.

The Company aims to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

**44.1 Gratuity:**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Expense recognized in the statement of profit and loss (Refer Note 33)</b>			
Current service cost	6.33	8.45	3.44
Interest cost	0.60	0.47	0.15
Expected return on plan assets	-	-	-
<b>Expense charged to the statement of profit and loss</b>	<b>6.93</b>	<b>8.92</b>	<b>3.59</b>
<b>Actuarial loss/(gain) on defined benefit obligation</b>			
due to change in demographic assumptions	-	(0.70)	1.16
due to change in financial assumptions	0.09	(0.57)	(0.42)
due to experience	(1.29)	(6.99)	0.91
<b>Actuarial loss/(gain) on defined benefit obligation</b>	<b>(1.20)</b>	<b>(8.26)</b>	<b>1.65</b>
<b>Other Comprehensive Income</b>			
Actuarial (Gain) / Loss recognized for the period	(1.20)	(8.26)	1.65
<b>Total Actuarial (Gain)/ Loss recognized in OCI</b>	<b>(1.20)</b>	<b>(8.26)</b>	<b>1.65</b>
<b>Movements in the Liability recognized in Balance Sheet</b>			
Opening Net Liability	9.12	8.45	3.20
Expenses as above	6.94	8.93	3.60
Contribution paid	-	-	-
Other Comprehensive Income (OCI)	(1.20)	(8.26)	1.65
<b>Closing Net Liability</b>	<b>14.86</b>	<b>9.12</b>	<b>8.45</b>
<b>Reconciliation of defined benefit obligations</b>			
Obligation as at the beginning of the year	9.12	8.45	3.20
Current service cost	6.34	8.45	3.45
Interest cost	0.60	0.47	0.15
Benefits paid	-	-	-
Actuarial (gains)/losses on obligations	(1.20)	(8.25)	1.65
<b>Obligation as at the year end</b>	<b>14.86</b>	<b>9.12</b>	<b>8.45</b>



Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Reconciliation of liability/(asset) recognized in the Balance sheet:</b>			
Present value of commitments (as per Actuarial Valuation)	14.86	9.12	8.45
Fair value of plan assets	-	-	-
<b>Net (asset)/liability recognized in the financial statement</b>	<b>14.86</b>	<b>9.12</b>	<b>8.45</b>

**Principal actuarial assumptions :**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Assumptions :</b>			
Discount rate	6.94%	7.02%	6.69%
Expected rate of salary increase	8.00%	8.00%	8.00%
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult	IALM (2012-14) Ult
Employee turnover	27.00%	27.00%	23.00%
Expected average remaining service	2.65	2.65	3.27
Retirement Age (years)	60	60	60

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Projected Service Cost	9.90	6.33	8.45

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Sensitivity analysis:</b>			
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period			
<b>Impact on defined benefit obligation</b>			
Delta effect of +1% change in discount rate	14.30	8.77	8.00
Delta effect of -1% change in discount rate	15.47	9.51	8.95
Delta effect of +1% change in salary escalation rate	15.38	9.46	8.89
Delta effect of -1% change in salary escalation rate	14.37	8.81	8.04
<b>Maturity analysis of projected benefit obligation</b>			
1st year	2.03	1.26	0.12
2nd year	2.55	1.25	0.97
3rd year	2.57	1.61	1.07
4th year	2.61	1.59	1.40
5th year	2.33	1.54	1.50
Thereafter	5.89	3.90	4.42
<b>Fund Allocation:</b>			
The major categories of plan assets are as under			
Central government securities	-	-	-
Bonds and securities	-	-	-



44.2 Leave Encashment:

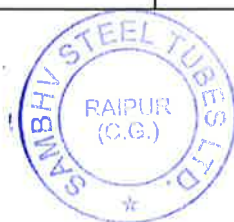
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expense recognized in the statement of profit and loss (Refer Note 33)		
Current service cost	1.20	1.32
Interest cost	0.05	0.04
Expected return on plan assets	-	-
<b>Expense charged to the statement of profit and loss</b>	<b>1.25</b>	<b>1.36</b>
<b>Actuarial loss/(gain) on defined benefit obligation</b>		
due to change in demographic assumptions	-	-0.00
due to change in financial assumptions	0.01	-0.04
due to experience	(0.45)	-1.29
<b>Actuarial loss/(gain) on defined benefit obligation</b>	<b>(0.44)</b>	<b>(1.33)</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain) / Loss recognized for the year	(0.44)	(1.33)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
<b>Total Actuarial (Gain)/ Loss recognized in OCI</b>	<b>(0.44)</b>	<b>(1.33)</b>
<b>Movements in the Liability recognized in Balance Sheet</b>		
Opening Net Liability	0.81	0.78
Expenses as above	1.25	1.36
Contribution paid	-	-
Other Comprehensive Income (OCI)	(0.45)	(1.33)
<b>Closing Net Liability</b>	<b>1.62</b>	<b>0.81</b>
<b>Reconciliation of defined benefit obligations</b>		
Obligation as at the beginning of the year	0.81	0.78
Current service cost	1.20	1.32
Interest cost	0.05	0.04
Benefits paid	-	-
Actuarial (gains)/losses on obligations	(0.44)	(1.33)
<b>Obligation as at the year end</b>	<b>1.62</b>	<b>0.81</b>

Particulars	As at March 31, 2024	As at March 31, 2023
Reconciliation of liability/(asset) recognized in the Balance sheet		
Present value of commitments (as per Actuarial Valuation)	1.62	0.81
<b>Net (asset)/liability recognized in the restated financial statement</b>	<b>1.62</b>	<b>0.81</b>

Principal actuarial assumptions :

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Assumptions :</b>		
Discount rate	6.94%	7.10%
Expected rate of salary increase	8.00%	8.00%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Employee turnover	27%	27%
Expected average remaining service	2.65	2.65
Retirement Age (years)	60	60

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Service Cost	1.20	1.32



Particulars	As at March 31, 2024	As at March 31, 2023
<b>Sensitivity analysis:</b>		
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting year		
<b>Impact on defined benefit obligation</b>		
Delta effect of +1% change in discount rate	1.57	0.79
Delta effect of -1% change in discount rate	1.67	0.84
Delta effect of +1% change in salary escalation rate	1.66	0.83
Delta effect of -1% change in salary escalation rate	1.58	0.79
<b>Maturity analysis of projected benefit obligation</b>		
1st year	0.45	0.23
2nd year	0.35	0.18
3rd year	0.28	0.14
4th year	0.22	0.11
5th year	0.17	0.09
Thereafter	0.44	0.22

45 **Reconciliation of movement of liabilities to cash flows arising from financing activities**

Particulars	For the year ended March 31, 2024			
	Non Current borrowings (including current maturities)	Current Borrowings	Interest accrued	Lease liability
Opening balance	2,030.43	797.29	13.33	22.81
Interest Expense	-	-	330.38	2.18
Cash flows (net)	159.29	481.75	(326.04)	(2.63)
Non-cash transactions/fair value changes	-	-	-	14.28
<b>Closing balance</b>	<b>2,189.72</b>	<b>1,279.04</b>	<b>17.66</b>	<b>36.64</b>

Particulars	For the year ended March 31, 2023			
	Non Current borrowings (including current maturities)	Current Borrowings	Interest accrued	Lease liability
Opening balance	1,628.35	784.53	8.66	3.52
Interest Expense	-	-	221.74	1.32
Cash flows (net)	402.08	12.76	(217.07)	(2.91)
Non-cash transactions/fair value changes	-	-	-	20.88
<b>Closing balance</b>	<b>2,030.43</b>	<b>797.29</b>	<b>13.33</b>	<b>22.81</b>



**46 Other Statutory Information:-**

- i. No proceedings have been initiated or pending against company for holding any benami property under prohibitions of Benami Transactions Act,1988 (earliers titled as Benami Transactions (Prohibitions) Act,1988
- ii. **Relationship with Struck off Companies**  
 There are no transactions with struck-off companies. The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 560 of Companies Act,1956.
- iii. No charges of satisfaction are pending for registration with the Registrar of Companies (ROC) beyond statutory period.
- iv. The Company has not traded or invested in crypto Currency or virtual currency during the financial year.
- v. The company has not advanced or loaned or invested funds to any other persons or entities including the foreign entities ( intermediaries) with the understanding that the intermediary shall :
  - a). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the Company ( ultimate beneficiaries) or
  - b). Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- vi. The Company has not received any funds from any persons or entities including the foreign entities ( intermediaries) with the understanding (whether recorded in the writing or not) that the intermediary shall :
  - a). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the Funding Party ( ultimate beneficiaries) or
  - b). Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- vii. The Company did not have any transaction which was not recorded in the books of accounts that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provisions of the Income Tax Act,1961.
- viii. There has been no amount which is required to be transferred to Investor Education and Protection Fund by the Company.
- ix. The quarterly returns/statement of current assets filed by Company with Banks for Borrowings are in agreement with the books of accounts
- x. The Company is not declared a willfull defaulter by any Bank or Financial Institution or any other lender
- xi. The Company has no subsidiary as on March 31, 2024. The clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017 is not applicable.
- xii. The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.
- xiii. During the year no scheme of arrangement has been formulated by the Company/pending with competent authority.
- xiv. Title deeds of immovable properties are held in the name of Company.
- xv. There are no investment properties in the company.
- xvi. The Company has not revalued its Property, Plant and Equipment during the year.
- xvii. The Company has not revalued its intangible assets during the year.
- xviii. During the year, the Company has issued equity shares during the year. Refer Note No.17.3 and 17.4.
- xix. The amount borrowed from Banks /Financial Institution have been used for the specific purpose it was taken

**47 Segment reporting**

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker ('CODM') for assessment of Company's performance and resource allocation, hence there is one operating segment. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

**a. Information about geographical areas:**

Revenue from external customer	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Geography wise			
Within India	12,807.94	9,362.12	8,165.71
Outside India	10.29	-	27.78
<b>Total</b>	<b>12,818.23</b>	<b>9,362.12</b>	<b>8,193.49</b>

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

b. Revenue from major customers: There is no customer having revenue amounting to 10% or more of Company's total revenue.

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

**48 Events occurring after the reporting period:**

**i. Adjusting events : Nil**

**ii. Non adjusting events:**

a. Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on April 24, 2024, the Company has converted from Private Limited Company to Public Limited Company and consequently the name of the Company has changed from Sambhv Steel Tubes Private Limited to Sambhv Steel Tubes Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on July 09, 2024.

b. On September 5, 2024, the Board of Directors approved the acquisition of 100% of the shares of Sambhv Tubes Private Limited. As a result of this acquisition, Sambhv Tubes Private Limited has become a wholly-owned subsidiary of the company.

c. On September 5, 2024, the Board of Directors approved the acquisition of 26% of the shares of Clean Max Opia Private Limited. As a result of this acquisition, Clean Max Opia Private Limited will become an associate of the company.

These events arose after the balance sheet date and does not reflect conditions existing at the balance sheet date and therefore do not impact the financial position as of the balance sheet date.





#### 49 Significant estimates, judgements and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

##### Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

##### Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

##### Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

##### Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India. Further details about gratuity obligations are given in the financials statements.

##### Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

##### Leases - Estimating the incremental borrowing rate

Where the Company cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

##### Revenue recognition - Estimating variable consideration for returns and volume rebates

The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as rebates, incentives and cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The amount of revenue recognised depends on whether the Company act as an agent or as a principal in an arrangement with a customer. The Company act as a principal if the Company controls a promised goods or service before the Company transfers the goods or service to a customer and act as an agent if the Company's performance obligation is to arrange for the provision of goods or service by another party.

#### 50 Audit Trail:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating and edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has enabled the audit trail(edit logs) facility of the accounting software used for maintenance of all accounting records. However, audit trail (edit logs) are enabled at application level and not at database level because enabling this facility will severely impacts ERP performance due to direct impact on space utilisation.





## 51 First time Adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2024, the comparative information presented in these financial statements for the year ended March 31, 2023 and in the preparation of an opening IND AS Balance Sheet at April 01, 2022 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the counting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

### A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain optional exemptions and mandatory exceptions in accordance with Ind AS 101 from previous GAAP to Ind AS, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP financial statements as at April 01, 2022 and the financial statements as at and for the year ended March 31, 2023

#### A.1 Ind AS optional exemptions

##### (a) Deemed cost for property plant and equipment, intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

#### A.2 Ind AS mandatory exceptions

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements

##### (a) Estimates

The estimates at April 01, 2022 and March 31, 2023 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences if any, in accounting policies) apart from the items where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2023.

##### (b) Derecognition of Financial Assets and Financial Liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS .

##### (c) Classification and measurement of financial asset

An entity shall measure its financial assets either at amortized cost or at Fair Value Through OCI or Fair Value Through Profit and Loss by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing on transition date. If it is impracticable for an entity to apply effective interest method retrospectively then fair value of financial instrument shall be new gross carrying amount of financial assets or the new amortised cost of financial liability.

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.



51.1 Reconciliation Notes

Particulars	Notes	As at March 31, 2023				As at April 01, 2022			
		Indian GAAP*	IND AS Adjustments	Prior period adjustments	IND AS	Indian GAAP*	IND AS Adjustments	Prior period adjustments	IND AS
<b>ASSETS</b>									
<b>(1) Non-current assets</b>									
(a) Property, plant & equipment	B1 & B2	2,917.98	22.40	-	2,940.38	2,349.28	3.51	-	2,352.79
(b) Capital work-in-progress		215.08	-	-	215.08	166.96	-	-	166.96
(c) Other intangible assets		1.28	-	-	1.28	1.87	-	-	1.87
(d) Financial assets		-	-	-	-	-	-	-	-
(i) Loans	B11	-	0.49	-	0.49	-	0.19	-	0.19
(ii) Other financial assets	B7	86.89	(0.11)	-	86.78	58.27	(0.03)	-	58.24
(e) Other non-current assets	B11	213.53	0.11	-	213.64	115.11	0.01	-	115.12
<b>Total non-current assets</b>		<b>3,434.76</b>	<b>22.89</b>	<b>-</b>	<b>3,457.65</b>	<b>2,691.49</b>	<b>3.68</b>	<b>-</b>	<b>2,695.17</b>
<b>(2) Current assets</b>									
(a) Inventories		1,414.47	-	-	1,414.47	1,215.12	-	-	1,215.12
(b) Financial assets		-	-	-	-	-	-	-	-
(i) Investments		-	-	-	-	-	-	-	-
(ii) Trade receivables	B8	346.05	(0.40)	-	345.65	156.76	(0.32)	-	156.44
(iii) Cash & cash equivalents		1.97	-	-	1.97	0.60	-	-	0.60
(iv) Bank balances other than (iii) above		75.06	-	-	75.06	83.29	-	-	83.29
(v) Loans	B11	2.41	(0.64)	-	1.77	2.13	(0.25)	-	1.88
(vi) Other financial assets		3.62	-	-	3.62	1.96	-	-	1.96
(c) Other current assets	B11	221.12	0.05	-	221.17	430.58	0.05	-	430.63
<b>Total current assets</b>		<b>2,064.70</b>	<b>(0.99)</b>	<b>-</b>	<b>2,063.71</b>	<b>1,890.44</b>	<b>(0.52)</b>	<b>-</b>	<b>1,889.92</b>
<b>Total assets</b>		<b>5,499.46</b>	<b>21.90</b>	<b>-</b>	<b>5,521.36</b>	<b>4,581.93</b>	<b>3.16</b>	<b>-</b>	<b>4,585.09</b>
<b>EQUITY &amp; LIABILITIES</b>									
<b>Equity</b>									
(a) Equity share capital		200.90	-	-	200.90	200.90	-	-	200.90
(b) Other equity		1,910.39	0.11	(7.43)	1,903.07	1,307.72	(8.75)	(6.90)	1,292.07
<b>Total equity</b>		<b>2,111.29</b>	<b>0.11</b>	<b>(7.43)</b>	<b>2,103.97</b>	<b>1,508.62</b>	<b>(8.75)</b>	<b>(6.90)</b>	<b>1,492.97</b>
<b>Liabilities</b>									
<b>(1) Non-current Liabilities</b>									
<b>(a) Financial liabilities</b>									
(i) Borrowings	B6	1,696.32	(6.40)	-	1,689.92	1,366.32	(1.32)	-	1,365.00
(ii) Lease liabilities	B3	-	22.36	-	22.36	-	2.04	-	2.04
(b) Provisions	A2	-	-	8.46	8.46	-	-	8.94	8.94
(c) Deferred tax liabilities (net)	B5	143.13	1.46	(2.52)	142.07	100.01	(0.66)	(2.33)	97.02
<b>Total non-current liabilities</b>		<b>1,839.45</b>	<b>17.42</b>	<b>5.94</b>	<b>1,862.81</b>	<b>1,466.33</b>	<b>0.06</b>	<b>6.61</b>	<b>1,473.00</b>
<b>(2) Current liabilities</b>									
<b>(a) Financial liabilities</b>									
(i) Borrowings		1,137.80	-	-	1,137.80	1,047.88	-	-	1,047.88
(ii) Lease liabilities	B3	-	0.45	-	0.45	-	1.48	-	1.48
(b) Trade payables		-	-	-	-	-	-	-	-
(i) Total outstanding dues of micro		1.26	-	-	1.26	8.13	-	-	8.13
(ii) Total outstanding dues of creditors		281.59	-	-	281.59	301.65	-	-	301.65
(c) Other financial liabilities		68.73	-	-	68.73	49.42	-	-	49.42
(d) Other current liabilities		56.54	-	-	56.54	79.88	-	-	79.88
(e) Provisions	A2	-	-	1.49	1.49	-	-	0.29	0.29
(f) Current tax liabilities (net)	A1	2.80	3.92	-	6.72	120.02	10.37	-	130.39
<b>Total current liabilities</b>		<b>1,548.72</b>	<b>4.37</b>	<b>1.49</b>	<b>1,554.58</b>	<b>1,606.98</b>	<b>11.85</b>	<b>0.29</b>	<b>1,619.12</b>
<b>Total liabilities</b>		<b>3,388.17</b>	<b>21.79</b>	<b>7.43</b>	<b>3,417.39</b>	<b>3,073.31</b>	<b>11.91</b>	<b>6.90</b>	<b>3,092.12</b>
<b>Total Equity &amp; Liability</b>		<b>5,499.46</b>	<b>21.90</b>	<b>-</b>	<b>5,521.36</b>	<b>4,581.93</b>	<b>3.16</b>	<b>-</b>	<b>4,585.09</b>



Sambhv Steel Tubes Limited  
(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)  
Corporate Identity Number:U27320CT2017PLC007918  
Notes to the Ind AS Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees millions, unless mentioned otherwise)

51.2 Effect of Ind AS Adoption on the statement of profit and loss for the financial year ended March 31, 2023

Particulars	Notes	For the year ended March 31, 2023			
		Indian GAAP*	IND AS Adjustments	Prior period adjustments	IND AS
<b>I. Income</b>					
(a) Revenue from operations		9,372.20	-	-	9,372.20
(b) Other income	B3 & B7	17.53	0.31	-	17.84
<b>Total Income (I)</b>		<b>9,389.73</b>	<b>0.31</b>	<b>-</b>	<b>9,390.04</b>
<b>II. Expenses</b>					
(a) Cost of materials consumed		6,700.23	-	-	6,700.23
(b) Purchases of stock-in-trade		569.19	-	-	569.19
(c) Changes in inventories of stock-in-trade and finished goods		(302.40)	-	-	(302.41)
(d) Employee benefits expense	B4	404.33	-	10.28	414.61
(e) Finance costs	B6	219.09	(0.94)	-	218.16
(f) Depreciation and amortization expense	B1 & B2	159.20	2.31	-	161.51
(g) Other expenses	B11 & B8	820.31	(2.77)	-	817.58
<b>Total expenses (II)</b>		<b>8,569.95</b>	<b>(1.40)</b>	<b>10.28</b>	<b>8,578.87</b>
<b>III. Profit before exceptional item and tax (I - II)</b>		<b>819.78</b>	<b>1.71</b>	<b>-</b>	<b>811.17</b>
<b>IV. Exceptional item</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>V. Profit before tax (III + IV)</b>		<b>819.78</b>	<b>1.71</b>	<b>-</b>	<b>811.17</b>
<b>VI. Tax expense :</b>					
(a) Current tax	A1	173.97	(9.26)	-	164.71
(b) Deferred tax	B5	43.13	(3.09)	2.59	42.63
<b>Total tax expense</b>		<b>217.10</b>	<b>(12.35)</b>	<b>2.59</b>	<b>207.34</b>
<b>VII. Profit for the year (V - VI)</b>		<b>602.68</b>	<b>14.06</b>	<b>(2.59)</b>	<b>603.83</b>
<b>VIII. Other comprehensive income</b>					
Items that will not be reclassified to the statement of					
a. Remeasurement gains / (losses) on the defined	B10	-	-	9.58	9.58
b. Income tax relating to above	B10	-	-	(2.41)	(2.41)
<b>Total of other comprehensive income for the year (net)</b>		<b>-</b>	<b>-</b>	<b>7.17</b>	<b>7.17</b>
<b>IX. Total Comprehensive Income for the year (net of tax) (VII + VIII)</b>		<b>602.68</b>	<b>14.06</b>	<b>4.58</b>	<b>611.00</b>

51.3 Effect of Ind AS Adoption on the Statement of Cash Flow for the financial year ended March 31, 2023 :

Particulars	For the year ended March 31, 2023		
	Indian GAAP*	Difference due to change in Ind AS and Prior period Adjustments	As per Ind AS
Net cash generated from operating activities (A)	655.52	-	655.52
Net cash (used in) / from investing activities (B)	(849.00)	-	(849.00)
Net cash (used in)/ from financing activities (C)	194.85	-	194.85
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1.37</b>	<b>-</b>	<b>1.37</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>0.60</b>	<b>-</b>	<b>0.60</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1.97</b>	<b>-</b>	<b>1.97</b>



**Sambhv Steel Tubes Limited**

(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)

Corporate Identity Number: U27320CT2017PLC007918

Notes to the Ind AS Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees millions, unless mentioned otherwise)

**51.4 Reconciliation of Total Equity as at March 31, 2023, and April 01, 2022**

Particulars	Notes	As at March 31, 2023	As at April 01, 2022
<b>Total equity as per Indian GAAP**</b>		<b>1,910.39</b>	<b>1,307.72</b>
<b>IND AS Adjustments:</b>			
Amortisation of ROU	B2	(2.74)	(0.43)
Termination of lease	B3	0.20	-
Interest income on amortisation of Financial Assets	B11	0.12	0.01
Amortisation of Financial Assets (Loan to employees)	B11	(0.07)	(0.01)
Rent Reversal on ROU Assets	B6	3.37	0.46
Interest Expenses on Lease liability	B3 & B7	(1.39)	(0.07)
Reversal of Financial liability at amortised cost	B6	7.61	1.57
Amortisation of interest cost on borrowings	B6	(1.23)	(0.25)
Impairment of Financial Instruments	B8	(0.40)	(0.32)
Recognition of Net Deferred tax liability	B5	(1.44)	0.66
Interest on income tax expenses for earlier years	A1	(2.81)	(10.28)
Adjustment of Earlier year Taxes	A1	(1.11)	(0.09)
<b>Total Ind AS Adjustments</b>		<b>0.11</b>	<b>(8.75)</b>
<b>Prior period adjustments:</b>			
Recognition of employee benefit	A2	(18.49)	(8.21)
Re-measurement of post employment benefit plans recognised in Other Comprehensive Income (OCI)	B9	8.56	(1.02)
Income tax on OCI	B10	(2.15)	0.26
Deferred tax on employee benefit		4.65	2.07
<b>Total prior period adjustment</b>		<b>(7.43)</b>	<b>(6.90)</b>
<b>Total adjustments</b>		<b>(7.32)</b>	<b>(15.65)</b>
<b>Total equity under Ind AS</b>		<b>1,903.07</b>	<b>1,292.07</b>

\*\* Equity as per Indian GAAP includes securities premium and reserves and surplus.

\*The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Material Regrouping / Reclassification - None**

Appropriate adjustments have been made in the Financial Statement, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows from Indian GAAP to bring them in line with the the Ind AS presentation requirements.

**Notes to the reconciliation between Indian GAAP and**

**A Prior year Adjustments**

A1 Adjustment on account of short/excess provision for Tax.

A2 **Recognition of employee benefit:** Company has recognised employee benefit for gratuity and leave encashment as per Ind AS 19.

**B On account of implementation of IND AS**

B1 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

B2 The Company has applied the practical expedient as per Para C5 (b) of Appendix C, Effective Date and transition of Ind AS 116, Leases. Accordingly, the Company has applied Ind AS 116 on and from April 01, 2022 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings at the date of transition.

B3 **Lease accounting:** Under the Indian GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss. Under Ind AS, lease liability and right of use ('ROU') is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over lease term.



**Sambhv Steel Tubes Limited**

**(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)**

**Corporate Identity Number:U27320CT2017PLC007918**

**Notes to the Ind AS Financial Statements for the year ended March 31, 2024**

**(All amounts in Indian Rupees millions, unless mentioned otherwise)**

- B5 **Deferred tax:** Deferred tax adjustments has been made in accordance with Ind AS, under balance sheet approach for all the items which have differential book base from that of tax base and which temporarily gets reversed due to timing difference including adjustments arising from Ind AS transition.
- B6 As per Ind AS 109 - Financial Instruments, at initial recognition the financial liability, measured at amortised cost, is the fair value plus or minus the transaction costs that are directly attributable to the issue of such a financial liability. The interest payable is recognised on the basis of Effective Interest Rate (EIR) which is the rate that exactly discounts the estimated cash payments or receipts through the expected life of the financial liability.
- B7 Under the Indian GAAP, interest free refundable security deposits (given) and retention money were accounted at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. On the date of initial recognition, in case of security deposits the difference between the transaction amount and the fair value has been recognised as ROU. The security deposits and retention money have been subsequently amortised under effective interest rate method and the ROU on a straight line basis over the term of contract.
- B8 **Expected credit loss:** Under the Indian GAAP, the Company had assessed provision for impairment of receivables based on the incurred loss model and no provision was created. Under Ind AS, impairment loss has been determined as per Expected credit loss (ECL) model. The provision amount as per Ind AS, ECL is recognised in retained earnings on date of transition and subsequently in the statement of profit and loss account.
- B9 Under the Indian GAAP, actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability was forming part of the profit or loss for the year. However under Ind AS 19, it is recognised in other comprehensive income. As a result of this change gains/ losses recognised in the statement of profit and loss under the Indian GAAP has been transferred to other comprehensive income upon transition.
- B10 Under Ind AS, all items of income and expense recognised in a year should be included in profit and loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in other comprehensive income under " Restated Ind AS Statements of Profit and Loss (including other comprehensive income)" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under Previous GAAP.
- B11 As per Ind AS 109 - Financial Assets, at initial recognition the financial assets as staff advance and measured at amortised cost. The fair value of long term advances is recognised as financial assets.

As per our report of even date attached

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No. : 000756N/N500441



**Vijay Kumar**

Partner

Membership Number: 092671

Place: **New Delhi**

Date: **Sep 12, 2024**



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

**Sambhv Steel Tubes Limited**

**(Formerly known as Sambhv Steel Tubes Private Limited and Sambhv Sponge Power Private Limited)**

**Suresh Kumar Goyal**

Director

DIN - 00318141

Place: Raipur

Date: **Sep 12, 2024**

**Anu Garg**

Chief Financial Officer

PAN - BRBPG4465Q

Place: **Raipur**

Date: **Sep 12, 2024**

**Vikas Kumar Goyal**

Managing Director

DIN - 00318182

Place: Raipur

Date: **Sep 12, 2024**

**Niraj Shrivastava**

Company Secretary

PAN - CGBPS1019N

Place: **Raipur**

Date: **Sep 12, 2024**