FIRST ANNUAL REPORT

OF

JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

(Formerly JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED)

FY 2024-2025

JSW JFE Electrical Steel

BOARD REPORT

To
The Members,
JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as Jsquare Electrical Steel Nashik Private Limited)

The Board of Directors of JSW JFE Electrical Steel Nashik Private Limited ("your Company" or "the Company") is pleased to present the 1st Annual Report on the business and operations of the Company and the Audited Financial Statements (Standalone and Consolidated) of the Company for the period/ financial year ended 31st March 2025 ("year under review"/ "period under review").

1. FINANCIAL PERFORMANCE

The highlights of the Company's financial performance for the period under review is given hereunder:

Amount Rs in Lacs

PARTICULARS	STANDALONE	CONSOLIDATED
	From September 27, 2024 to March 31, 2025	**From January 30, 2025 to March 31, 2025**
Income from Operations	0	20,387
Add: Other Income	317	457
Total Income	**317**	**20,844**
Total Expenses	**4,612**	**27,218**
Profit / (Loss) Before Taxation	**(4,296)**	**(6,374)**
Less: Tax Expenses / (Benefit)	0	(393)
Profit / (Loss) for the Year	**(4,296)**	**(5,981)**
Comprehensive Income	0	13
Total Comprehensive Income/ (Loss)	**(4,296)**	**(5,968)**
EPS (Basic/Diluted) in Rs	(0.61)	(0.85)

The financial statements for the year ended 31st March 2025 have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. PERFORMANCE REVIEW:

The Company was incorporated on September 27, 2024 and is a wholly owned subsidiary of JSW JFE Electrical Steel Private Limited, which is a 50:50 joint venture between JSW Steel Limited and JFE Steel Corporation. It is engaged in the business of manufacturing and selling of Cold Rolled Grain Oriented ("CRGO") steel.

The Company's loss for the financial year ended March 31, 2025 was Rs 4,296 lakhs.

3. SHARE CAPITAL OF THE COMPANY:

The Company was incorporated with an authorised share capital of Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 (Five lakhs only) equity shares of Rs. 10/- (Rupees Ten only)

The paid up equity share capital as on date of incorporation was Rs 10,00,000/- (Rupees Ten Lakh only) comprising of 1,00,000 (One lakh) equity shares of Rs 10 each.

Pursuant to ordinary resolution passed at the Extra Ordinary General meeting held on 11.12.2024, Authorised Share Capital increased from Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 (Five lakhs only) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1600,00,00,000/- (Rupees Sixteen Hundred Crore Only) consisting of 160,00,00,000 (One Hundred Sixty Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each. The Company allotted 146,00,00,000 equity shares of Rs 10 each to its shareholder pursuant to rights issue on 28.01.2025.

Accordingly, as on March 31, 2025, the authorised share capital of the Company was Rs 16,00,00,00,000/- (Rupees Sixteen Hundred Crore Only) consisting of 160,00,00,000 (One Hundred Sixty Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each and the paid up share capital of the Company was Rs 14,60,10,00,000 (Rupees One Thousand Four Hundred Sixty Crore Ten Lakh Rupees only) comprising of 146,00,00,000 equity shares of Rs 10 each.

The Company has no other type of securities except equity shares forming part of paid- up capital.

Other Details:

i) **Disclosure under Section 43(a) (ii) of the Companies Act, 2013:**

During the financial year under review, the Company has not issued any shares with differential voting rights and hence no information as per the provisions of Section 43(a) (ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

ii) **Disclosure under Section 54(1) (d) of the Companies Act, 2013:**

During the year under review, the Company has not issued any sweat equity shares and hence no information as per the provisions of Section 54(1) (d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

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iii) Disclosure under Section 62(1) (b) of the Companies Act, 2013:

During the year under review, the Company did not have any Employees Stock Option Scheme for its employees/ directors and hence no information as per the provisions of Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

iv) Disclosure under Section 67(3) of the Companies Act, 2013:

During the year under review, since the Company has not issued shares under ESOP, thus requirements to disclose instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme does not apply pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

4. DIVIDEND:

The Board of Directors has not recommended any dividend for the financial year 2024- 25.

5. TRANSFER TO RESERVES:

During the year under review, no amount is proposed to be transferred to any reserve.

6. PUBLIC DEPOSITS:

The Company has not invited and/ or accepted any deposits from the public during the year under review.

7. ACQUISITIONS:

The Competition Commission of India approved the proposed acquisition of Thyssenkrupp Electrical Steel India Private Limited ("tkES India") by Jsquare Electrical Steel Nashik Private Limited in December 2024. tkES India is one of the first manufacturers of grain-oriented electrical steel ("GOES") in India, a specialty material used in transformers and generators. The Company acquired 100% equity interest in thyssenkrupp Electrical Steel India Private Limited, a private company located in Nashik, India and the associated technology package from the thyssenkrupp group has been licensed/transferred to JSW Steel Limited (together, the "Transaction"). The total purchase consideration for the Transaction (including closing adjustments) is INR 4,158.6 crore on January 30, 2025.

8. NATURE OF COMPANY'S AFFAIRS, CHANGES AND FUTURE OUTLOOK:

As the Company was recently incorporated, the Company has to plan its future outlook. During the financial year, it had acquired thyssenkrupp Electrical Steel India Private Limited which has been in the business of manufacturing CRGO. Later thyssenkrupp Electrical Steel India Private Limited was renamed as JSW JFE Electrical Steel Nashik Private Limited. During the year under review, the Company had no manufacturing operations of its own as on March 31, 2025. It has presence in the industry through its wholly owned subsidiary. In view of the growing demands for CRGO steel, the Company has a positive outlook for future.

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

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES OF THE COMPANY:

The Company has one wholly owned subsidiary as on March 31, 2025- JSW JFE Electrical Steel Nashik Private Limited (Formerly thyssenkrupp Electrical Steel India Private Limited).

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared a statement containing the salient features of the Financial Statements of our subsidiaries & joint venture in the prescribed format AOC-1 which is attached as **Annexure I.**

The separate audited financial statements of the subsidiary company are available on the website of the Company at www.j2es.in.

10. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Except amalgamation of the wholly owned subsidiary- JSW JFE Electrical Steel Nashik Private Limited (formerly thyssenkrupp Electrical Steel India Private Limited) with the Company, no material changes and commitments affecting the financial position of the Company have occurred after the closure of the financial year ("FY") till date of this report.

JSW JFE Electrical Steel Nashik Private Limited (formerly thyssenkrupp Electrical Steel India Private Limited) amalgamated with the Company pursuant to the Regional Director's Order dated November 4, 2025 approving the Scheme of Amalgamation and the Scheme became effective on November 8, 2025 on filing of Form INC 28 with Ministry of Corporate Affairs.

Copy of Order and Scheme is available on the website of the Company at www.j2es.in.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments made during the year under review are briefly noted under Note 3 to the standalone financial statements.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF COMPANIES ACT, 2013:

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder.

Further, there was no material related party transaction entered by the Company during the year as per the RPT Policy. There are no details required to be provided in Form AOC-2 prescribed under Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

JSW JFE Electrical Steel

13. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company was incorporated with 2 Non-Executive Directors – Mr. Tarang Rajeshbhai Desai (DIN: 10490521) and Mr. Takafumi Suzuki (DIN: 10458199). There were no changes in the Board composition during the year under review.

The following Key Managerial Personnel (KMPs) were appointed during the financial year under review:

- Mr. Rajiv Negandhi was appointed as the Chief Financial Officer of the Company w.e.f. 16.01.2025
- Ms. Snigdha Tripathi was appointed as the Company Secretary w.e.f 13.01.2025

After the closure of financial year, the following appointments were made on the Board:

Sn	Name	Category	DIN	Date of Appointment
1	Mrs. Anuradha Ambar Bajpai	Additional Non-Executive Independent Director (Chairperson)	07128141	25-07-2025
2	Mr. Alok Mehrotra	Additional Non-Executive Independent Director	01066025	25-07-2025
3	Mr. Joydeep Bhattacharjee	Additional Executive Director- Whole Time Director and CEO	02813496	25-07-2025

All Additional Directors appointments were regularized at the Extra Ordinary General meeting held on October 24, 2025.

14. NUMBER OF MEETINGS OF THE BOARD:

The Board met five (5) times during the year under review. The intervening gap between two consecutive board meetings did not exceed 120 days, as prescribed under the Act and the SEBI Listing Regulations.

All Directors were present at the meetings and requiste quorum was in place throughout the meeting.

The details of Board meetings held during the year under review is as follows:

Sr. No.	Date	Directors eligible to attend	Directors attended the meeting
1	October 3, 2025	2	2
2	October 18, 2025	2	2
3	December 11, 2025	2	2
4	January 13, 2025	2	2
5	January 16, 2025	2	2

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15. DISQUALIFICATION OF DIRECTORS:

None of the Directors of the Company are disqualified from holding the office of Director on account of non-compliance with any of the provisions of the Companies Act, 2013.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sections 134(3)(c) and 134(5) of the Act, the Board, to the best of their knowledge and belief, confirms that:

i. In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed, and there are no material departures;
ii. Appropriate accounting policies have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of your Company for that period;
iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. The annual accounts have been prepared on a going concern basis;
v. Proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

17. SECRETARIAL STANDARDS:

During the financial year under review, the Company has complied with applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings," respectively issued by the Institute of Company Secretaries of India (ICSI) under the provisions of Section 118(10) of the Companies Act, 2013.

18. INTERNAL FINANCIAL CONTROL:

The Company has an internal financial control system commensurate with the size, scale, and complexity of its operations. FY 24-25 being the first year of incorporation, the Board of Directors has laid down standard processes and procedures for implementing the internal financial controls across the organization and the same will be reviewed from time to time to commensurate with the size, scale, and complexity of its operations.

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

The information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Account) Rules, 2014, with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, is provided in **Annexure-II** to this report.

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20. RISK MANAGEMENT POLICY OF THE COMPANY:

As FY 2024-25 was the first year after incorporation, the Company was in the process of identification, assessment of risks followed by efforts to monitor and mitigate the same.

The Company has taken and ensured all the necessary care with respect to threats, which may affect the existence of the Company.

21. STATUTORY AUDITORS AND AUDITOR'S REPORT:

The Board at its Meeting held on October 3, 2025 had appointed M/s SRBC & Co. LLP, Chartered Accountants, Mumbai (Registration No. 324982E/E300003), to act as Statutory Auditor of the Company till the conclusion of the 1st Annual General Meeting i.e., Annual General Meeting to be held for the financial year ended 31st March 2025, at a remuneration as may be decided and fixed by the Board of Directors of the Company.

The report given by M/s SRBC & Co. LLP Chartered Accountants on the standalone and consolidated financial statement of the Company for the year 2024-2025 is a part of the Annual Report. There are no qualifications, reservations, adverse remarks, or disclaimers made by the Statutory Auditors in their report. The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors had not reported any matter under Section 143 (12) of the Act with respect to the year under review; accordingly disclosure under Section 134 (3) (ca) of the Act is not required.

It is proposed to appoint M/s. S R B C & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E / E300003), as Statutory Auditors from conclusion of the 1st Annual General Meeting of the Company to be held in the year 2025 until the conclusion of the 6th Annual General Meeting. Consent from M/s. S R B C & Co. LLP, Chartered Accountants for the said appointment has been received.

22. SECRETARIAL AUDITORS & THEIR REPORT:

The Board had appointed M/s. Shreyans Jain & Co., Company Secretaries, as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report has been annexed to this report as **Annexure- III.**

There are no qualifications, reservations, adverse remarks, or disclaimers made by the Secretarial Auditors in their report.

23. NON-CONVERTIBLE DEBENTURES (NCDs):

Your Company had allotted rated, listed, unsecured, redeemable 2,600 non-convertible debentures of the face value of Rs. 1,00,000/- each for a total sum of Rs. 2,600 Crores during the year. The Board on January 24, 2025 had approved through circular resolution the issuance of NCDs to the identified investors in accordance with the General Information Document dated 14.01.2025 and Key Information Document dated 17.01.2025 ("Information Documents") pursuant to completion of bidding in terms of the price under the uniform yield basis on the BSE EBP Platform ("EBP"). The

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NCDs were restructured from "unsecured" to "secured" pursuant to approval of the Board at its meeting held in March 18, 2025.

24. LISTING:

The Company has listed its Non-Convertible Debentures on January 29, 2025 on the BSE Limited (BSE). The Company has paid the requisite listing fees to the Stock Exchange for FY 2024-25. The Company is a High Value Debt Listed entity pursuant to listing of aforesaid NCDs.

25. DEBENTURE TRUSTEES:

Pursuant to Regulation 53(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is required to provide the details of Debenture Trustees.

The details of the Debenture trustee is as follows:

Name	IDBI Trusteeship Services Limited
Address	Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001
Contact Details	+91 22 4080 7000
Email ID	itsl@idbitrustee.com

26. CREDIT RATING:

CARE Ratings Limited (CareEdge Ratings) is the credit rating agency that has provided a rating CARE AA- (pronounced as Double A Minus) rating with a Stable outlook to the Non-convertible debentures of the Company.

27. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return of the Company as of 31st March, 2025, is made available on the website of your Company and can be accessed at www.j2es.in

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

As on financial year 2024-25, the Company had less than 10 employees, accordingly, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable for year under review. However, the Company has zero tolerance for sexual harassment at the workplace and no complaints were received during the year under review.

29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the Regulators, Courts or Tribunals impacting the going concern status and the Company's operations in future during FY 2024-25.

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30. DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

Being a private limited company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

31. BOARD EVALUATION:

The provisions relating to annual evaluation of Board and its Directors are not applicable to your Company for the year under review. Pursuant to the listing of Debentures, the annual evaluation shall be carried out during FY 25-26.

32. GENERAL:

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

- The Company did not undergo any change in the nature of its business during the financial year.
- No application has been made / No proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- There were no complaints relating to child labour, forced labour or involuntary labour during the financial year 2024-25.
- The Company has not made any valuation for one-time settlement with Banks and Financial Institutions.
- The provisions of the Maternity Benefit Act, 1961 were not applicable during FY 24-25 as the Company did not have employees.
- Provisions of Section 148(1) of the Companies Act, 2013 with respect to maintenance of cost records were not applicable.
- Provisions of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility were not applicable.

The Company is a high value debt listed entity pursuant to listing of its debentures of Rs 2,600 crores on BSE. The Company shall comply with the provisions of Chapter VA and other applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") within statutory timelines prescribed under Listing Regulations.

45. ACKNOWLEDGEMENT:

Your Director's wish to place on record its sincere thanks to all the Bankers, Financial Institutions, Shareholders, Government authorities and other business associates for extending support to your Company.

JSW JFE Electrical Steel

The Board also places on record its sincere appreciation of the contribution made by all the stakeholders for placing their faith and trust on the Board.

For and on behalf of the Board of Directors of

JSW JFE Electrical Steel Nashik Private Limited

(Formerly known as Jsquare Electrical Steel Nashik Private Limited)

JSW JFE Electrical Steel Nashik Private Limited

TARANG RAJESHBHAI DESAI
DIRECTOR
DIN: 10490521
PLACE: MUMBAI

JOYDEEP BHATTACHARJEE
DIRECTOR
DIN: 02813496
PLACE: NASHIK

Date: 30.12.2025

JSW JFE
JSW JFE Electrical Steel

ANNEXURE I

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Amount in crores.)

Name of the subsidiary	JSW JFE ELECTRICAL STEEL NASHIK PVT LTD
Date since when subsidiary was acquired	30.01.2025
Reporting period for the subsidiary concerned	30.01.2025 TO 31.03.2025
Reporting Currency	INR
Exchange rate	NOT APPLICABLE
Share capital	414.93
Reserves and surplus	525.78
Total asset	1192.06
Total liabilities	251.35
Investments	-
Turnover	205.27
Profit before taxation	34.80
Provision for taxation	10.06
Profit after taxation	24.74
Proposed Dividend	-
% of shareholding	100%

Additional Disclosure	Name of Subsidiaries
Subsidiaries yet to commence operations	---------
Subsidiaries Liquidated or Sold during the year	---------

JSW JFE Electrical Steel

Part "B": Associates/Joint Ventures

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

Name of Associates/Joint Ventures	NA
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	
a) No.	
b) Amount of Investment in Associates/Joint Venture	
c) Extend of Holding %	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not Consolidated	
6. Networth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	
Total	

Additional Disclosure	**Name of Associates/Joint ventures**
Associates/Joint ventures yet to commence operations	---------
Associates/Joint ventures Liquidated or Sold during the year	---------

For and on behalf of the Board of Directors
For **JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED**

Rajiv Negandhi
Chief Financial Officer

Snigdha Tripathi
Snigdha Tripathi
Company Secretary
ACS: 47758

Tarang Rajeshbhai Desai
Director
DIN: 10490521

Joydeep Bhattacharjee
WTD and Chief Executive Officer
DIN: 02813496

Date: 30.12.2025

JSW JFE Electrical Steel Nashik Private Limited
Steel Nashik Private Limited ★ JSW JFE Electrical

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ANNEXURE II

STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

In terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, your directors furnish the information as below:

A. CONSERVATION OF ENERGY :- NIL

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

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

c. The capital investment on energy conservation equipment's: N.A.

B. TECHNOLOGY ABSORPTION – NIL

a. The efforts made towards technology absorption: N.A.

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

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

   i. The details of technology imported: Nil

   ii. The year of import: Nil

   iii. Whether the technology has been fully absorbed: Nil

   iv. If not fully absorbed, areas where absorption has not taken place, and the reason thereof: Nil

d. The expenditure incurred on Research and Development: Nil

JSW JFE Electrical Steel

C. **FOREIGN EXCHANGE EARNINGS AND OUTGO: (in terms of actual inflow and outflow)**

(Amount in Rupees)	
Particulars	**For the Financial Year Ended 31st March, 2025**
Foreign Exchange Earned	NIL
Foreign Exchange Outgo	NIL
Net Foreign Exchange Earnings	NIL

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private Limited

JSW JFE Electrical Steel Nashik Private Limited

TARANG RAJESHBHAI DESAI
DIRECTOR
DIN: 10490521
PLACE: MUMBAI

JOYDEEP BHATTACHARJEE
DIRECTOR
DIN: 02813496
PLACE: NASHIK

Date: 30.12.2025

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Shreyans Jain & Co.
Company Secretaries
Off: 603, Ashok Heights, Opp. Saraswati Apartments, Near Nicco Circle, Niklaswadi Road, Gundavali, Andheri (E), Mumbai - 400069, Maharashtra, India
Tel: 022 - 46002079; **website:** www.sjcocs.com; **email:** shreyanscs@gmail.com

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

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

To,
The Members
JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
(Formerly known as **JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED (Formerly known as **JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED)** having **CIN: U24319MH2024PTC432825** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the company's documents, 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, the company has during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;

(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 **(Not Applicable to the Company during the audit period);**

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, 2018 **(Not Applicable to the Company during the audit period);**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the audit period);**

e. The Securities and Exchange Board of India (Issue and Listing of Non – Convertible Securities) Regulations, 2021;

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, 2021; **(Not Applicable to the Company during the audit period);**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the audit period);**

i. The Securities and Exchange Board of India (Debenture Trustees) Regulations,1993;

(vi) All other relevant laws as are applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India in respect of board and general meetings;

(ii) The Securities and Exchange Bqard of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

We further report that;

The Board of Directors of the Company comprises of Non-Executive Directors. No Changes in the Composition of the Board of Directors took place during the audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All the decisions were carried through, while there were no dissenting views of members as verified from the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had;

1. Acquired 100% equity stake in Thyssenkrupp Electrical Steel India Private Limited;

2. Increased the authorized share capital of the Company from Rs.50,00,000/- (Fifty Lakhs Only) comprising of 5,00,000/- (Five Lakh) Equity Shares of Rs. 10/- each to Rs.1600,00,00,000/- (Rupees Sixteen Hundred Crore Only) comprising of 160, 00,00,000 (One Hundred Sixty Crore) Equity Shares of Rs.10/- each (Rupees Ten only);

3. Sought approvals under sections 180(1)(a) and 180(1)(c) (i.e. overall borrowing limit of the Company set to Rs.3000,00,00,000/- (Rupees Three Thousand Crore Only)) at the Extra-Ordinary General Meeting of the Members of the Company held on 11th December, 2024;

4. Issued and allotted 2,60,000 (Two Lakh Sixty Thousand) Rated, Listed, Secured / Unsecured, Redeemable, Non-Convertible Debentures ("NCDs") of Rs.1,00,000 each, aggregating to Rs. 26,00,00,00,000/- (Rupees Two Thousand Six Hundred Crores only);

5. Issued 150,00,00,000 Equity Shares of Rs.10/- each for cash at par aggregating to Rs.1500,00,00,000/- on rights basis, and the Company had allotted 146,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs.1460,00,00,000/-.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID: S2011MH151000

SHREYANS JAIN Digitally signed by SHREYANS JAIN Date: 2025.12.26 20:07:54 +05'30'

Shreyans Jain
(Proprietor)
FCS No. 8519 /C.P. No. 9801
UDIN: F008519G002858190
PR NO.1118/2021

Place: Mumbai
Date: 26-12-2025

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

Shreyans Jain & Co.
Company Secretaries
Off: 603, Ashok Heights, Opp. Saraswati Apartments, Near Nicco Circle, Niklaswadi Road, Gundavali, Andheri (E), Mumbai - 400069, Maharashtra, India
Tel: 022 - 46002079; **website:** www.sjcocs.com; **email:** shreyanscs@gmail.com

Annexure A: to the Secretarial Audit Report of JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED (Formerly known as JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED) for the year 31st March, 2025

To,
The Members
JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
(Formerly known as **JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED)**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. The Compliance of the Corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID: S2011MH151000
SHREYANS JAIN Digitally signed by SHREYANS JAIN Date: 2025.12.26 20:08:12 +05'30'
Shreyans Jain
(Proprietor)
FCS No. 8519 / C.P. No. 9801
UDIN: F008519G002858190
PR NO.1118/2021

Place: Mumbai
Date: 26-12-2025

S R B C & CO LLP
Chartered Accountants

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

Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the members of Jsquare Electrical Steel Nashik Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Jsquare Electrical Steel Nashik Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the period September 27, 2024 to March 31, 2025 ('the Period'), and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive loss, its cash flows and the changes in equity for the Period ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the Period ended March 31, 2025. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that

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material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial period ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extreme rare circumstances, we determine that doing so would reasonably expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the Period ended March 31, 2025;

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

i. The Company does not have any pending litigations which would impact its financial position;

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 were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

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

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the Period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar S Sakhalkar
Partner
Membership No.: 160411
UDIN: 25160411BMLZKI7006

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 20, 2025

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Jsquare Electrical Steel Nashik Private Limited ("the Company")

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

(i) (a) The Company has not capitalised any Property, plant or equipment and Intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a), (b), (c) and (d) of the Order is not applicable to the Company.

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

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during September 27, 2024 to March 31, 2025 ('the Period') on the basis of security of current assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the Period the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the Period the investments made are not prejudicial to the Company's interest. Further there are no guarantees provided, security provided and loans and advances granted in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of section 185 of the Companies Act, 2013 (the Act') are applicable and accordingly, the requirement to report on clause 3(iv) of the Order insofar as it relates to section 185 of the Act is not applicable to the Company. Further, according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments have been complied with by the Company.

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

(vi) Since the Company has not commenced any commercial production, the requirements relating to report on clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, income tax and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the Period end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess are not applicable to the Company.

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(b) According to the records of the Company, there are no dues of provident fund, employees' state insurance, profession tax, income-tax, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

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

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

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

(c) The Company did not have any term loans outstanding during the Period hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

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

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has raised loans during the Period on the pledge of securities held in its subsidiary as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan	Name of the subsidiary	Relation	Details of security pledged	Remarks
Non-convertible Debentures	Foreign Portfolio Investors consisting of: • MUFG Bank Ltd • Mizuho Bank Ltd • DBS Bank Ltd • Deccan Funding Limited Liability Company	Rs. 260,000 lakhs	JSW JFE Electrical Steel Nashik Private Limited	Subsidiary	##	NA

Investments in equity instruments (refer note 3 of standalone financial statements)

The Company does not have any associate or joint venture.

(x) (a) The Company has utilized the monies raised during the Period by way of initial public offer / further public offer (including debt instruments) in the nature of Non-convertible Debentures for the purposes for which they were raised.

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

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the Period.

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(b) During the Period, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the Period.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 188 of the Act here applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the order insofar as it relates to Section 177 of the Act are not applicable to the Company.

(xiv) (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Act. Therefore, the requirement to report under clause 3(xiv)(a) and (b)of the Order is not applicable to the Company.

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

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

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

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

(d) We have been informed by the management that as at March 31, 2025 as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group

(xvii) The Company has incurred a cash loss of Rs 4,296 lakhs in the current financial Period. The Company has been registered for a period less than one year and accordingly, the requirement to report on clause 3(xvii) of the Order insofar as it relates to previous year is not applicable to the Company.

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

(xix) On the basis of the financial ratios disclosed in note 26 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

(xx) (a) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar S Sakhalkar
Partner
Membership No.: 160411
UDIN: 25160411BMLZKI7006

S R B C & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 20, 2025

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

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

We have audited the internal financial controls with reference to standalone financial statements of Jsquare Electrical Steel Nashik Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

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

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

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar S Sakhalkar
Partner
Membership No.: 160411
UDIN: 25160411BMLZKI7006

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Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Standalone Balance Sheet as at 31 March 2025
(All Amounts in INR Lacs unless otherwise stated)

Particulars	Notes	As at 31 March 2025
I. ASSETS		
Non-current Assets		
(a) Financial Assets		
(i) Investments in Subsidiary	3	400,361
(b) Other Non Current assets	4	25
Total Non-current assets		**400,386**
Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	5	1,903
(b) Other Current Assets	6	581
Total current assets		**2,484**
TOTAL ASSETS		**402,870**
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	7	146,010
(b) Other equity	8	(4,602)
Total equity		**141,408**
Non Current Liability		
(a) Financial liabilities		
(i) Borrowings	9	255,893
(ii) Other Financial liabilities	10	4,378
Total Non Current Liabilities		**260,271**
Current liabilities		
(a) Financial liabilities		
(i) Other Financial liabilities	11	1,188
(b) Other current liabilities	12	3
Total current liabilities		**1,191**
Total liabilities		**261,462**
TOTAL EQUITY AND LIABILITIES		**402,870**
Summary of material accounting policies	2	

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: May 20, 2025

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

鈴木隆史

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: May 20, 2025

Mr. Takafumi Suzuki
Director
DIN No: 10458199
Place: Tokyo
Date: May 20, 2025

Snigdha Tripathi

Mr. Rajiv Negandhi
Chief Financial Officer
Place: Mumbai
Date: May 20, 2025

Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Standalone Statement of Profit and Loss for the period from 27 September 2024 to 31 March 2025

(All Amounts in INR Lacs unless otherwise stated)

Particulars	Notes	For the period from 27 September 2024 to 31 March 2025
I. Revenue from Operations		
II. Other Income	13	317
Total Income		**317**
III. Expenses		
(a) Finance Cost	14	4,378
(b) Other expenses	15	234
Total expenses		**4,612**
IV. Loss before tax (II-III)		**(4,296)**
V. Tax expense		-
VI. Loss for the period (IV-V)		**(4,296)**
VII. Other comprehensive income		-
VIII. Total comprehensive Loss for the period (VI+VII)		**(4,296)**
IX. Earnings per share (of Rs. 10/- each), not annualised		
Basic EPS (Rs.)		(0.61)
Diluted EPS (Rs.)		(0.61)
Summary of material accounting policies	2	

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

MUMBAI
S R B C & CO LLP
CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: May 20, 2025

For and on behalf of the Board of Directors of
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

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DIN No. 10490521
Place: Mumbai
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Snigdha Tripathi

Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Standalone Statement of cash flow for the period from 27 September 2024 to 31 March 2025
(All Amounts in INR Lacs unless otherwise stated)

Particulars	Notes	For the period from 27 September 2024 to 31 March 2025
A. Cash flow from operating activities :		
Loss before tax		(4,296)
Add: Finance Cost		4,378
Operating Profit before Working Capital Changes		**82**
Adjustments for :		
Changes in working capital		
Increase in Other Current Liabilities		3
Increase in Other Financial Assets		(25)
Increase in Other Current Assets		(548)
Cash generated from operations		**(488)**
Direct taxes paid		(32)
Net cash used in operating activities (A)		**(520)**
B. Cash flow from investing activities (B)		
Investments in Subsidiary		(400,361)
Net cash used in investing activities (B)		**(400,361)**
C. Cash flow from financing activity :		
Proceeds from issue of equity shares		146,010
Share issue expenses		(306)
Proceeds from issue of Non-Convertible Debentures		260,000
Non Convertible Debentures issue Expenses		(2,920)
Net cash generated from financing activity (C)		**402,784**
Net increase in cash and cash equivalents (A+B+C)		**1,903**
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period (Refer note 5)		**1,903**

Particulars	Opening Balance	Issued During the period	Upfront fees amortisation	Closing Balance
Borrowing	-	260,000	-4,107	255,893

Note: The statement of cash flows is prepared using the "indirect method" set out in Indian Accounting Standard 7 "Statement of Cash Flows".

Summary of material accounting policies 2

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: May 20, 2025

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

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DIN No. 10490521
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Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Standalone Statement of changes in equity as at 31 March 2025
(All Amounts in INR Lacs unless otherwise stated)

Particulars	As at 31 March 2025
(a) Equity share capital	
Opening Balance	-
Issue of equity share capital during the period	146,010
Balance at the end of the period	**146,010**

(b) Other equity

Particulars	Retained Earnings	OCI	Total Equity
Opening Balance	-	-	-
Less: Profit/ (Loss) for the period	(4,296)	-	(4,296)
Less: Share issue expenses	(306)	-	(306)
Balance at the end of the period as at 31 March 2025	**(4,602)**	-	**(4,602)**

Summary of material accounting policies 2

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: May 20, 2025

For and on behalf of the Board of Directors of
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: May 20, 2025

Mr. Takafumi Suzuki
Director
DIN No. 10458199
Place: Tokyo
Date: May 20, 2025

Snigdha Tripathi

Mr. Rajiv Negandhi
Chief Financial Officer
Place: Mumbai
Date: May 20, 2025

Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

1. General Information

Jsquare Electrical Steel Nashik Private Limited ("the Company") is incorporated in India on 27 September 2024 under the Companies Act, 2013. It is a wholly owned subsidiary of JSW JFE Electrical Steel Private Limited, which is a 50:50 joint venture between JSW Steel Limited, which is listed on the Bombay Stock Exchange and National Stock Exchange and JFE Steel Corporation, Japan. The registered office of the Company is located at 5th Floor, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai Maharashtra – 400 051.

The Company was formed to carry on the business of manufacturers of all kinds and forms of steels including Cold Rolled Grain Oriented Electrical Steel (CRGO) and Cold Rolled Non-Grain Oriented Electrical Steel and also explore inorganic growth opportunities by merger or acquisition of Electrical Steel manufacturing companies.

2. Material Accounting Policies

I. Statement of compliance

Financial Statements have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Financial Reporting" as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of the Companies Act, 2013 (as amended).

These are the first financial statements of the company, which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the period from 27 September 2024 to 31 March 2025., and accounting policies and other explanatory information (together hereinafter referred to as "Financial statements").

These financial statements are approved for issue by the Board of Directors on 20 May 2025.

II. Basis of preparation and presentation

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs except when otherwise indicated.

These are the first Financial statements of the company and cover a period from 27 September 2024 to 31 March 2025 hence no comparatives are presented.

Current and non-current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

A. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

B. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

i. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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JSQUARE ELECTRICAL STEEL NASHIK PVT LTD

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. 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. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.
In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in statement of profit and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established;
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) 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 recognized in statement of profit and loss and is included in the 'Other income' line item.

MUMBAI

ii. Financial liabilities and equity instruments

a) 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.

b) 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 recognized at the proceeds received, net of direct issue costs.

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

a) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities. at FVTPL

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI.
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

a) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

iii. Non-derivative financial instruments

a) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents in Balance Sheet and statement of cash flows consist of balances with banks which are unrestricted for withdrawal and usage. After initial recognition, cash and cash equivalent is measured at amortized cost.

b) Financial assets carried at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

d) Financials assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss

e) Equity instruments

An equity instrument is a 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 recognized at the proceeds received, net of direct issue costs.

f) Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method. 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

iv. Impairment

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing market conditions.

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v. De-recognition of financial assets/ liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss."

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. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

vi. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may never actually be realised.

C. Investment in Subsidiary

Investment in subsidiary are shown at cost, less impairment, in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Profit and Loss.

D. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

E. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

F. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

G. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

H. Cash & cash equivalent

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.
For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

3. Key estimates

a. Key sources of estimation uncertainty and critical accounting judgement

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are received on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

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3. Investments in Subsidiary (At Cost)

Particulars	As at 31 March 2025
Investments in equity instruments (Unquoted)	
JSW JFE Electrical Steel Nashik Private Limited	4,00,361
[Total number of equity shares 41,49,34,900 of paid up value Rs 10 each]	
Total	**4,00,361**

During the year, the Company has acquired 100% shares of JSW JFE Electrical Steel Nashik Private Limited ("J2ES Nashik") (formerly known as Thyssenkrupp Electrical Steel India Private Limited) for a net consideraton of Rs. 4,00,361 Lacs from Thyssenkrupp Electrical Steel GmbH and Thyssenkrupp Electrical UGO S.A.S. pursuant to Share Purchase Agreement dated October 18, 2024. J2ES Nashik is engaged in the manufacture of Electrical Steel Cold Rolled Grain Oriented Electrical Steel ("CRGO") (hereinafter referred to as the "Finished Goods"), which is a speciality materia used wherever electrical energy is required to be efficiently converted, transported, and used, such as in transformers, electric motors, inductors, chokes and in large high-performance generators. The finished goods are used in various industries due to its unique and exceptional magnetic properties. The acquisition was completed on January 30, 2025.

Investments have been pledged as security against borrowings, details relating to which has been described in note 9.

4. Other Non Current assets

Particulars	As at 31 March 2025
Unsecured, considered Good	
Security Deposit	25
Total	**25**

5. Cash and cash equivalents

Particulars	As at 31 March 2025
Balances with bank	
In current account	100
Term deposits with maturity less than 3 Months at inception	1,803
Total	**1,903**

6. Other Current Assets

Particulars	As at 31 March 2025
Income tax balances	31
Advance to Vendors	@
Indirect tax balances	550
Total	**581**

@ Indicates values less than Rs 0.5 lacs

7. Equity share capital

Particulars	As at 31 March 2025	
	No. of Shares	Amount
(a) Authorised:		
Equity shares of Rs. 10 each	1,60,00,00,000	1,60,000
(b) Issued and subscribed		
At the beginning of the period	-	-
Add: Issue of shares during the period	1,46,01,00,000	1,46,010
Outstanding at the end of the period	**1,46,01,00,000**	**1,46,010**

(c) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at 31 March 2025	
	No. of Shares	% of Shares
JSW JFE Electrical Steel Private Limited	1,46,01,00,000	100%

(e) Change in Promoter's shareholding:

Particulars	As at 31 March 2025	
	No. of Shares	% of Shares
JSW JFE Electrical Steel Private Limited	1,46,01,00,000	100%

8. Other equity

Particulars	As at 31 March 2025
(a) Deficit in Retained earnings	
Balance at the beginning of the period	-
Less: Profit/(Loss) for the period	(4,296)
Less: Share issue expenses (refer note (i) below)	306)
Closing balance	**(4,602)**

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement gain/(loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

Note

i) Share issue expenses include Stamp duty paid to ROC & NSDL & fees to ROC for increasing share capital.

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

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Notes forming part of Standlone Financial Statements for the period from 27 September 2024 to 31 March 2025

(All Amounts in INR Lacs unless otherwise stated)

9. Borrowings (at amortised cost) (secured)

Particulars	As at 31 March 2025
Debentures	2,60,000
Less: Unamortised upfront fees on borrowings	(4,107)
Total	2,55,893

Details of securities and terms of repayment:

During the year, the Company has raised Debt funds of Rs. 260,000 Lacs by private placement of Secured, Rated, Listed and Redeemable Non-Convertible Debentures (NCD) with Foreign Portfolio Investors (FPI), which are listed on Bombay Stock Exchange effective January 29, 2025. The said NCDs are assigned credit rating of AA- by Credit Analysis and Research Limited (Care Ratings).

As at 31 March 2025	Terms of Repayments	Security
2,60,000	9.45% secured NCD of Rs. 1,00,000 each redeemable in bullet payment on 28 January 2028	- Exclusive pledge over 100% Equity investment in ISW JFE Electrical Steel Nashik Private Limited - Pari Passic charge on subsidiary company's (ISW JFE Electrical steel Nashik Private Limited) all property, plant and equipment (except freehold land and buildings) and all current assets in favour of the Trustee.

10. Other Financial labilities

Particulars	As at 31 March 2025
Interest Accrued but not Due on borrowings	4,378
Total	4,378

11. Other Financial Liabilities

Particulars	As at 31 March 2025
Other Payables	1,188
Total	1,188

Note

Other payable includes structuring fees payable to MUFG Bank Rs. 1,170 lacs.

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company) : - No amount is due to micro, small and medium enterprises during the year.

12. Other current liabilities

Particulars	As at 31 March 2025
Statutory Dues	3
Total	3

13. Other Income

Particulars	For the period from 27 September 2024 to 31 March 2025
Interest Income	
- Bank Deposits	317
Total	317

14. Finance Cost

Particulars	For the period from 27 September 2024 to 31 March 2025
Interest on borrowings	4378
Total	4378

15. Other expenses

Particulars	For the period from 27 September 2024 to 31 March 2025
Office Rent	2
Audit fees (Refer note (a))	@
Legal & professional fees	224
Miscellaneous Expenses	8
Total	234

Note :

a) Payment to Auditors (excluding tax)

Particulars	For the period from 27 September 2024 to 31 March 2025
Statutory audit fees	@
Total	@

@ Indicates values less than Rs 0.5 lacs

16. Earnings per share

Particulars		For the period from 27 September 2024 to 31 March 2025
Net loss for the period attributable to equity shareholders (A)	Rs.	(4,296)
Weighted average number of equity shares for the purpose of calculating basic and diluted earnings per share (B)	Nos.	70,49,27,386
Earnings per share - basic and diluted (face value of Rs. 10/- each) (A/B)	Rs.	(0.61)

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

(All Amounts in INR Lacs unless otherwise stated)

17. Related party disclosures

List of Related Parties where control exists

1. Holding Company
JSW JFE Electrical Steel Private Limited

2. Subsidiary
JSW JFE Electrical Steel Nashik Private Limited

3. Venturers of Holding company
JSW Steel Limited
JFESteel Corporation

4. Key Management Personnel
a. Mr. Tarang Rajeshbhai Desai, Director
b. Mr. Takafumi Suzuki, Director
c. Mr. Rajiv Negandhi, CFO
d. Mrs. Snigdha Tripathi, CS

B. Transactions with related parties

Particulars	For the period from 27 September 2024 to 31 March 2025
Issue of shares	
- JSW JFE Electrical Steel Private Limited	146,010
Lease Rent	
- JSW Steel Limited	2
Bank gurantee received	
- JSW JFE Electrical Steel Nashik private Limited	260,000
Expenditures incurred on behalf of Company (reimbursment paid at cost)	
- JSW JFE Electrical Steel Private Limited	707

C. Balances with related parties

Particulars	As at 31 March 2025
Trade payable	
- JSW Steel Limited	1

18. Financial Instruments

18.1 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 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 their from the operations of its subsidiary company. The Company is not subject to any externally imposed capital requirements.

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.

Particulars	As at 31 March 2025
Long term borrowings	255,893
Less Cash and cash equivalent	1,903
Net debt	**253,990**
Total equity	**141,408**
Gearing ratio	**1.80**

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).

18.2 Categories of financial instruments
The accounting classification of each category of financial instruments and their carrying amounts are set out below:
As at 31 March 2025

Particulars	Amortised cost	Fair value	Total carrying value
Financial assets			
Investments	400,361	-	400,361
Cash and cash equivalents	1,903	-	1,903
Total financial assets	**402,264**	-	**402,264**
Financial liabilities			
Long term Borrowings	255,893	-	255,893
Other financial liabilities	5,566	-	5,566
Total financial liabilities	**261,459**	-	**261,459**

The fair value of the above financial assets and liabilities approximates their carrying value.

19. Fair value hierarchy of financial instruments
The carrying amounts of cash and cash equivalents, borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Notes forming part of Standalone Financial Statements for the period from 27 September 2024 to 31 March 2025

(All Amounts in INR Lacs unless otherwise stated)

20.1 Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- ► Market risk
- ► Credit risk
- ► Liquidity risk

20.1 Market risk management

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

20.3 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing.

As at 31 March 2025

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	-	-	400,361	400,361
Cash and cash equivalents	1,903	-	-	1,903
Total financial assets	1,903	-	400,361	402,264
Financial liabilities				
Long term Borrowings	-	260,000	-	260,000
Other financial liabilities	1,188	4,378	-	5,566
Total financial liabilities	1,188	264,378	-	265,566

20.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Currently, the Company has not started operations and accordingly there are no customers for the period. Accordingly, the same is no applicable for the current period.

21. Contingent Liabilities

There are no contingent liabilities as at 31 March 2025.

22. Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements.

23. Segment Reporting

TheCompany has been incorporated in the current period and has not yet started any operations, accordingly, there are no reporting segments during the period.

24. Commitment

There are no open commitment as at March 31, 2025.

25. Previous period / year figures are not applicable as company was incorporated during the year

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JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Notes forming part of the Standalone Financial Statements for the period from 27 September 2024 to 31 March 2025
(All Amounts in INR Lacs unless otherwise stated)

26. Ratio Analysis

S.No.	Ratios	Numerator	Denominator	Period Ended 31 March 2025
1	Debt Equity Ratio	Total Borrowings	Total Equity	1.01
2	Debt Service Coverage Ratio	Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges	Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/refinancing) 'during the year) (Net Finance Charges : Finance Costs - Interest Income - Net Gain/(Loss) on sale of current investments	0.02
3	Interest Coverage Ratio	EBIT	Interest	0.02
4	Current Ratio	Current Assets	Current Liabilities	2.09
5	Long term debt to working capital	Long-Term Debt	Working Capital	197.94
6	Current liability Ratio	Current Liabilities	Total Liabilities	0.005
7	Total debt to total asset	Total Debt	Total Assets	0.64
8	Paid up Equity Share Capital			146.010

27. Qualitative disclosures pertaining to Schedule III

(i) The Company do not have Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961.

28. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt this new and amended standard, when it become effective.

Lack of exchangeability –

Amendments to Ind AS 21 The Ministry of Corporate Affairs notified amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are not expected to have a material impact on the Company's financial statements.

29. Application of new and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any material impact in its financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

per Tushar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: May 20, 2025

For and on behalf of the Board of Directors of
Jsquare ElectricalSteel Nashik Private Limited
CIN: U24319MH2024PTC432825

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: May 20, 2025

Mr. Takafumi Suzuki
Director
DIN No. 10458198
Place: Tokyo
Date: May 20, 2025.

Mr. Rajiv Nagandhi
Chief Financial Officer
Place: Mumbai
Date: May 20, 2025

Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: May 20, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

S R B C & CO LLP
Chartered Accountants

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

Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Jsquare Electrical Steel Nashik Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jsquare Electrical Steel Nashik Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the period September 27, 2024 to March 31, 2025 ('the Period'), and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2025, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the period ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial period ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated-financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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S R B C & CO LLP, a Limited Liability Partnership with LLP Identity No. AAB-4318
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

Key audit matters	How our audit addressed the key audit matter
Accounting for Acquisition (as described in note 45 *of the consolidated financial statements)*	
On January 30, 2025 the Company completed thé acquisition of 100% equity stake in JSW JFE Electrical Steel Nashik Private Limited (formerly known as ThyssenKrupp Electrical Steel India Private Limited) from Thyssenkrupp Electrical Steel GmbH and Thyssenkrupp Electrical UGO S.A.S. pursuant to a share purchase agreement. We consider the audit of accounting of this acquisition to be a key audit matter since this is the significant transaction during the Period which requires significant management judgement regarding: • Assessment of control over the entity acquired. • Allocation of the purchase price to assets and liabilities acquired and adjustments to align accounting policies of newly acquired entity with the Group. • Fair valuation of assets and liabilities acquired and to identify intangible assets acquired in the acquisition. • Accounting and disclosures in the financial statements in accordance with the applicable Ind-AS.	Our audit procedures included the following: • We have read the share purchase agreement and other related documents pertaining to the acquisition with a view to identify the specific clauses impacting the determination and recognition of the purchase price and to obtain an understanding of the transactions and the key terms and conditions. • We evaluated the control assessment made by the management and assessed the accounting treatment applied to this transaction. • We read the valuation reports for the purchase price considerations paid for these acquisitions. We tested the identification and fair valuation of the acquired assets including intangible assets acquired, if any and liabilities by corroborating this identification based on our discussion with management and understanding of the business. • We obtained understanding of the valuation methodologies used by management and the external valuation experts in the provisional fair valuation of acquired assets and liabilities. • We involved valuation specialist and assessed the valuation methodology and assumptions such as discount and long-term growth rates, risk free rate of return and weight average cost of capital by comparing these assumptions to source data and external data, where required. • We assessed the competence, capabilities and relevant experience of the experts engaged by management to determine fair valuation of the assets and liabilities acquired. • We have assessed the accounting treatment followed by the Company for said acquisitions is in accordance with the requirements of Ind AS 103 and also assessed the compliance of the disclosures made in note 45 of the consolidated financial statements with the applicable accounting standards.

We have determined that there are no other key audit matters to communicate in our report.

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Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company.

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

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

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CHARTERED ACCOUNTANTS

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial period ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) 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 consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except that with respect to the subsidiary as disclosed in note 52 of the consolidated financial statements the back up of books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company and the subsidiary company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the subsidiary company respectively, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary incorporated in india for the period ended March 31, 2025;

(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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements - Refer note 25 to the consolidated financial statements;

   ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the period ended March 31, 2025;

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India have represented to us, to the best of its knowledge and belief, as disclosed in the note 51(ii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India have represented to us, to the best of its knowledge and belief, as disclosed in the note 51(iii) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the Period by the Holding Company and its subsidiary, incorporated in India.

vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the Period for all relevant transactions recorded in such software except that in case of a subsidiary as described in note 52 of the financial statement in absence of sufficient information available we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the Period for all relevant transactions recorded in the software.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZKL8899

Place of Signature: Mumbai
Date: 20 May 2025

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Jsquare Electrical Steel Nashik Private Limited ("the Company")

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

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Name	CIN	Holding company / subsidiary	Clause number of the CARO report which is qualified or is adverse
Jsquare Electrical Steel Nashik Private Limited	U24319MH2024PTC432825	Holding Company	Clause (xvii) of CARO

The audit report under Companies (Auditors Report) Order, 2020 of the subsidiary JSW JFE Electrical Steel Nashik Private Limited has not been issued till the date of our auditor's report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZKL8899

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: 20 May 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

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

In conjunction with our audit of the consolidated financial statements of Jsquare Electrical Steel Nashik Private Limited (hereinafter referred to as "the Holding Company") as of and for the period ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") , which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group , which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZKL8899

Place of Signature: Mumbai
Date: 20 May 2025

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Consolidated Balance Sheet As at 31 March 2025
(All Amounts in Rs. in Lacs unless otherwise stated)

Particulars	Notes	As at 31 March 2025
I. ASSETS		
1. Non-current Assets		
(a) Property, plant and equipment	4	114,724
(b) Capital work- in-progress	5	1,277
(c) Investment property	6	1,248
(d) Goodwill	7	115,712
(e) Other intangible assets	7	145,531
(f) Financial assets - others	8	93
(g) Other tax asset (net)	9	760
(h) Other non-current assets	10	698
Total Non-current assets		**380,043**
2. Current assets		
(a) Inventories	11	63,382
(b) Financial assets		
i) Trade receivables	12	19,691
ii) Cash and cash equivalents	13	19,476
iii) Other financial assets	14	4
(c) Other current assets	15	1,789
(d) Assets classified as held for sale	16	14
Total current assets		**104,356**
TOTAL ASSETS		**484,399**
II. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	17	146,010
(b) Other equity	18	(6,274)
Total equity		**139,736**
Liabilities		
2. Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	19	255,893
(ii) Other financial liabilities	20	4,378
(b) Provisions	21	1,964
(c) Deferred tax liabilities (Net)	22	57,840
Total Non-current liabilities		**320,075**
3. Current liabilities		
(a) Financial liabilities		
(i) Trade payables	23	
- Total outstanding due to micro enterprise and small enterprise		98
- Total outstanding due to creditors other than above		17,410
(ii) Other current financial liabilities	24	2,510
(b) Provisions	25	2,817
(c) Other Current liabilities	26	740
(d) Current tax liabilities (net)		991
(e) Liabilities directly associated with asset classified as held for sale	27	22
Total current liabilities		**24,588**
Total Liabilities		**344,663**
TOTAL EQUITY AND LIABILITIES		**484,399**
Summary of material accounting policies	3	

The accompanying notes are integral part of the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: 20 May 2025

S.R.B.C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: 20 May 2025

鈴木隆史

Mr. Takafumi Suzuki
Director
DIN No. 10458199
Place: Tokyo
Date: 20 May 2025

Mr. Rajiv Negandhi
Chief Financial Officer
Place: Mumbai
Date: 20 May 2025

Snigdha Tripathi

Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: 20 May 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Consolidated Statement of Profit and Loss for the period 27 September 2024 to 31 March 2025

(All Amounts in Rs. in Lacs unless otherwise stated)

Particulars	Notes	For the period 27 September 2024 to 31 March 2025
I. Income		
Revenue from operations	28	20,387
Other income	29	457
II. Total Income		**20,844**
III. Expenses		
Cost of material consumed	30	12,667
Purchase of stock-in-trade	31	907
Changes in inventories of finished goods, Stock in trade & work-in progress	32	(799)
Employee benefits expenses	33	1,016
Finance cost	34	4,379
Depreciation and amortisation expense	35	4,685
Other expenses	36	4,363
IV Total expenses		**27,218**
V. Profit/ (Loss) before tax (II-IV)		**(6,374)**
VI. Tax expenses	37	
Current Tax		957
Deferred tax		(1,350)
VII. Total tax expense		**(393)**
VIII. Profit/ (Loss) for the period (V-VII)		**(5,981)**
IX. Other comprehensive income		
Items that will not be re-classified to Profit or Loss		
Remeasurements of post employment benefit obligations		18
Income tax relating to these items		(5)
X. Other comprehensive income for the year, net of tax		**13**
XI. Total comprehensive Loss for the period (VIII+X)		**(5,968)**
XII. Earnings per equity share (of Rs. 10/- each)	38	
Basic and Diluted EPS (Rs.)		(0.85)
Summary of material accounting policies	3	

The accompanying notes are integral part of the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

For and on behalf of the Board of Directors
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: 20 May 2025

Mr. Tarang R. Desai
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DIN No. 10490521
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Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: 20 May 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Consolidated Statement of Changes in Equity for the period ending 31 March 2025
(All Amounts in Rs. in Lacs unless otherwise stated)

Particulars	For the period 27 September 2024 to 31 March 2025
(a) Equity share capital	
Balance at the begining	
Issue of equity share capital during the period	146,010
Balance at the end of the year	**146,010**

(b) Other equity	
Particulars	
Opening Balance	
Less: (Loss) for the period	(5,982)
Less: Share issue expenses	(306)
Other comprehensive income for the period, net of income tax	13
Balance at 31 March 2025	**(6,274)**

Summary of material accounting policies 3
The accompanying notes are integral part of the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

For and on behalf of the Board of Directors
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: 20 May 2025

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
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ICSI M.No. A47758
Place: Mumbai
Date: 20 May 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Consolidated Statement of Cash flows for the period ended 31 March 2025

(All Amounts in Rs. in Lacs unless otherwise stated)

Particulars	For the period 27 September 2024 to 31 March 2025
Cash flow from operating activities :	
Profit/(Loss) before tax	(6,374)
Adjustments for :	
Depreciation and amortization expenses	4,685
(Gain)/Loss on sale of property, plant and equipment	(16)
Interest income	(392)
Change in fair value of financials assets at FVTPL	9
Unrealised foreign exchange gain	(2)
Rental Income	(16)
Finance Cost	4,379
Operating profits before working capital changes	**2,273**
Changes in working capital	
(Decrease)/increase in trade receivables	(4,363)
Decrease/(increase) in inventories	(9,413)
Decrease/(increase) in other financial assets	(3)
(Decrease)/increase in other current assets	638
(Decrease)/increase in trade payables	15,435
(Decrease)/increase in provisions	(16)
(Decrease)/increase in in other current liabilities	17
Increase/(decrease) in other financial liabilities	(19)
Cash generated from operations	**4,550**
Direct taxes paid	(33)
Net cash generated from operating activities (A)	**4,517**
Cash flow from investing activities (B)	
Purchase consideration towards acquisition of subsidiary	(400,361)
Purchase of property, plant & equipment, and intangible assets	(186)
Proceeds from sale of property, plant and equipments	16
Interest income received	392
Rent income received	16
Net cash (used in) investing activities (B)	**(400,123)**
Cash flow from financing activity :	
Proceeds from issue of equity shares	146,010
Share issue expenses	(306)
Net proceeds from issue of non-convertible debentures	260,000
Non-convertible debentures issue expenses	(2,920)
Net cash generated from financing activity (C)	**402,784**
Net increase in cash and cash equivalents (A+B+C)	**7,177**
Add: Cash and cash equivalents pursuant to Business Combination (refer note 45)	12,299
Cash and cash equivalents at the end of the period	**19,476**

Note:

The statement of cash flows is prepared using the "indirect method" set out in Indian Accounting Standard 7 "Statement of Cash Flows".

Summary of material accounting policies 3

The accompanying notes are integral part of the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: 20 May 2025

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: 20 May 2025

鈴木隆史

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Date: 20 May 2025

Mr. Rajiv Negandhi
Chief Financial Officer
Place: Mumbai
Date: 20 May 2025

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Mrs. Snigdha Tripathi
Company Secretary
ICSI M.No. A47758
Place: Mumbai
Date: 20 May 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Notes to the Consolidated Financial Statements as at and for the period ended March 31, 2025

1. General Information

Jsquare Electrical Steel Nashik Private Limited ("the Company") is incorporated in India on September 27, 2024 under the Companies Act, 2013. It is a wholly owned subsidiary of JSW JFE Electrical Steel Private Limited, which is a 50:50 joint venture between JSW Steel Limited, India and JFE Steel Corporation, Japan. The registered office of the Company is located at 5th Floor, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai Maharashtra – 400 051. The debentures issued by the Company are listed on the Bombay Stock Exchange.

The Company and its subsidiary (together referred to as "the Group") is engaged in the manufacturing of all kinds and forms of steels including Cold Rolled Grain Oriented Electrical Steel (CRGO) and Cold Rolled Non-Grain Oriented Electrical Steel or to take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the Group or carrying on any business capable of being conducted so as directly or indirectly to benefit the Group.

2. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013 , (Ind AS Compliant Schedule III), as applicable to Consolidated financial statement.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the period September 27, 2024 to March 31, 2025, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 20th May 2025.

3. Material Accounting Policies

I. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest lacs except when otherwise stated.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle. It is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as noncurrent only.

II. Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entity controlled by the Company. Control is achieved where the Company: has power over the investee is exposed to, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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III. Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognized at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the Group shall also recognize additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

IV. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

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V. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in the consolidated Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

VI. Revenue recognition

A. Sale of Goods

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

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

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

Contract balances

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

ii. Trade receivables
A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).
Trade receivables is derecognised when the Group transfers substantially all the risks and rewards of ownership of the asset to another party including discounting of bills on a nonrecourse basis.

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

iv. Refund liabilities
A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

B. Interest Income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

VII. Leases

Company as a Lessor
Leases for which Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all risk and rewards of ownership to the lease, the contract is classified as finance lease. All other leases are classified as operating lease.

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on te same basis as lease income.

VIII. Foreign currencies

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:
- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

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IX. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

X. Employee Benefit

Retirement benefit costs and termination benefits
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement of Profit and Loss. Past service cost is recognised in Consolidated Statement of Profit and Loss in the year of a plan amendment or when the Group recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit and Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick/contingency leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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XI. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Further, deferred tax is not recognized on the items that does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

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.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XII. Property Plant & Equipment

Freehold land is carried at historical cost less any accumulated impairment loss. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of a self-constructed item of property, plant and equipment (CWIP)
The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation methods, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

Particulars	Useful lives estimated by the management (up to years)
Factory Building	30 Years
Non factory building	40 Years
Water supply and pipeline	25 Years
Plant and machinery (CPP)	30 Years
Office Equipment	10 Years
Furniture and Fixtures	10 Years
Vehicles	5 Years
Computers	3 Years
Servers & Networks	6 Years
Electrical equipment	20 Years

Depreciation on addition/disposal is provided on pro rata basis i.e. from / up to the date on which asset is ready for use/disposed off.

The useful lives have been determined based on technical evaluation done by the management's expert which are in line with those specified by Schedule II to the Companies Act, 2013, I order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expenses.

XIII. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Class of assets	Years
Computer software	3 to 5 years
Customer Relations	10 Years
Order Back log	1 – 2 Years
Vendor Relationships	1 – 2 Years

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XIV. Impairment of Non-financial assets

At the end of each reporting year, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the consolidated statement of profit and loss immediately.

XV. Inventories

Inventories are stated at the lower of just and net realisable Value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The Company considers various factors like ageing of inventory, price changes and any other factor which impact the Company's business in determining the allowance for obsolete, non-saleable and slow-moving inventories. The Company considers the above factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

XVI. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

XVII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(i) Debt Instruments

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(ii) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. 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. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The equity instruments which are strategic investments and held for long term purposes are classified as FVTOCI.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss. All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in consolidated statement of profit and loss. The net gain or loss recognized in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Group's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment of financial assets

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, The Group again measures the loss allowance based on 12-month expected credit losses.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated creditimpaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

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Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

e) 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 recognized in the consolidated statement of profit and loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

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

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities
Financial liabilities are classified as either financial liability 'at FVTPL' or 'other financial liabilities.

Financial liabilities at FVTPL:
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.
A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss

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incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Derecognition of financial liabilities:
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss

XVIII. Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XIX. Cash & Cash equivalent
Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

XX. Earnings per share:
Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XXI. Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount and fair value less costs to dispose off, except for the assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Assets held for sale are presented separately from other assets.

An impairment loss is recognized for any initial or subsequent write down of the asset to the fair value less cost to dispose off. A gain is recognized for any subsequent increases in fair value less cost to dispose off of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset is recognized at the date of de-recognition.

3.1 Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make

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judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year

Useful life of property, plant and equipment, investment property and intangible asset
Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

Impairment of Goodwill
Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the Group's cash Generating unit (or groups of cash generating units). In considering the recoverable value of cash generating unit, the management have anticipated the future benefits to arise from commodity prices, capacity utilisation of plants, discount rates and other factors of the underlying unit. If the recoverable amount of cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any Impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

Estimation of Defined benefit plan
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the government bonds rates. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. These mortality tables tend to change only at the interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurements of financial assets / liabilities
When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Provision
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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the availability of future taxable profit against which the deductible temporary differences can be utilised. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

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Notes to the consolidated financial statements as at and for the period ended 31 March 2025

(All Amounts in Rs. in Lacs unless otherwise stated)

4 : Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Office equipments	Computers	Grand Total
Cost / deemed cost								
Acquired pursuant to Business Combination (refer note 45)	21,523	9,449	84,045	145	58	10	682	1,15,912
Additions	-	30	474	-	-	@	-	504
Disposals	-	-	-	-	-	-	-	-
Gross carrying amount 31 March 2025	**21,523**	**9,479**	**84,519**	**145**	**58**	**10**	**682**	**1,16,416**
Accumulated depreciation and impairment :-								
Depreciation charge during the period	-	86	1,570	@	4	1	31	1,692
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	-	**86**	**1,570**	-	**4**	**1**	**31**	**1,692**
Net carrying amount 31 March 2025	**21,523**	**9,393**	**82,949**	**145**	**54**	**9**	**651**	**1,14,724**

@ indicates amount less than Rs. 0.5 lacs.

Note :-

i) All property, plant and equipment except freehold land and buildings of subsidiary company has been hypothecated as security against Non Convertible Debentures of Rs. 2,60,000 lacs issued by the Company.

ii) No proceedings have been initiated on or are pending against the Group and its subsidiary for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) The freehold land also includes leased land parcels aggregating to 37,190 square meters at nominal rentals of Rs 100 per annum to Maharashtra State Electrical Transmission Company Ltd (MSETCL). This lease agreement is valid until May 2027, with provision for further renewal.

5. Capital work- in-progress

Particulars	Amount in the CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Project in progress					
a) Roll bearings for mill	424	-	-	-	424
b) Others	842	-	-	11	853
ii) Projects temporarily suspended	-	-	-	-	-
Total	**1,266**	-	-	**11**	**1,277**

Note :-

There are no projects which are overdue or have exceeded their costs as compared to original plans as on 31 March 2025.

6. Investment property

Particulars	Land	Total
Acquired pursuant to Business Combination (refer note 45)	1,248	1,248
Additions	-	-
Gross carrying amount 31 March 2025	1,248	1,248
Depreciation charge during the period	-	-
Closing accumulated depreciation as at 31 March 2025	-	-
Net carrying amount 31 March 2025	**1,248**	**1,248**

Note :-

I) Leasing arrangements

The investment property aggregating to 24,768 square meters, is leased to a tenant under operating lease for the period upto 31 August 2033 with rental payable monthly. The agreements are renewable and cancellable by mutual consent of both parties.

Minimum lease payments receivable on leases of investment properties are as follows:

Lease Period	As at 31 March 2025
Within 1 year	100
Between 1 and 2 years	108
Between 2 and 3 years	116
Later than 3 years	124

7 : Other intangible assets

Particulars	Software	Customer Relationships	Order Backlog	Vendor relationships	Total Other Intangible Assets	Goodwill
	A	B	C	D	A+B+C+D	
Cost						
Acquired pursuant to Business Combination (refer note 45)	54	1,43,570	2,160	2,727	1,48,511	1,15,712
Additions	14	-	-	-	14	-
Disposals	-	-	-	-	-	-
Gross carrying amount 31 March 2025	**68**	**1,43,570**	**2,160**	**2,727**	**1,48,525**	**1,15,712**
Accumulated amortisation						
Amortisation	18	1,048	1,432	496	2,993	-
Disposals	-	-	-	-	-	-
Accumulated amortisation as at 31 March 2025	**18**	**1,048**	**1,432**	**496**	**2,993**	-
Net carrying amount 31 March 2025	**50**	**1,42,522**	**728**	**2,231**	**1,45,531**	**1,15,712**

Note :-

Intangible assets and Goodwil have been recognised persuant to business acquisition, during the current financials period. No impairment has been identified on the recognised goodwill and intangible assets.

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(All Amounts in Rs. in Lacs unless otherwise stated)

8. Financial assets	As at 31 March 2025
Security deposit (refer note below)	43
Term deposit with banks having remaining maturity of more than 12 months	50
Total	**93**

Note :-

The Group has given Rs. 25 Lacs Security deposit to BSE Limited towards listing of non convertible debentures (NCD).

9. Other tax asset (net)	As at 31 March 2025
Income tax refund receivable (net of provision for tax)	760
Total	**760**

10. Other non current assets (Unsecured, considered good)	As at 31 March 2025
Capital advances	60
Balances with government authorities (refer note below)	583
Prepayments	55
Total	**698**

Note :-

Balances with government authorities primarily pertain to deposits paid under protest against income tax and indirect tax litigations.

11. Inventories (cost or net realizable value whichever is lower)	As at 31 March 2025
Raw materials [includes goods in transit Rs. 14,927 Lacs]	36,405
Stores and spares	1,305
Work-in-progress	14,510
Finished goods [included goods in transit Rs. 627 Lacs]	8,252
Traded Goods [included goods in transit Rs. 234 Lacs]	2,910
Total	**63,382**

Note :-

i) During the period, the Group has recorded the provision for obsolescence amounting to Rs. 217 Lacs.
ii) Inventories have been hypothecated as security against borrowings (refer note 19)

12. Trade receivable	As at 31 March 2025
Trade receivables from contract with customers	19,884
Less: Loss allowance	(193)
Total	**19,691**

Break-up of security details	Total
Trade receivables considered good - secured*	18,884
Trade receivables considered good - unsecured	1,000
Trade receivables which have significant increase in credit risk	-
Trade receivables - credit impaired	@
Less: Loss allowance for expected credit loss	(193)
Total	19,691

*Trade receivable are secured by letter of credits received from customers
@ Amount less than Rs. 0.5 Lakhs

The trade receivables ageing schedule aging As at 31 March 2025

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 Month	6 months -1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables : -							
- Considered good	19,665	24	2	-	-	-	19,691
- Credit impaired	-	@	-	193	-	-	193
Disputed trade receivables : -							
- Considered good	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	@	-	(193)	-	-	(193)
Total	**19,665**	**24**	**2**	-	-	-	**19,691**

@ Amount less than Rs. 0.5 Lakhs

Note :-

i) The credit period on sales of goods ranges upto 90 days with or without security.
ii) Before accepting any new customer, the Subsidiary Company uses various parameters to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.
iii) Trade receivable have been hypothecated against borrowings (Refer note 19)
iv) Credit risk management regarding trade receivables has been described in note 41.
v) Trade receivables does not include any receivables from directors and officers of the Group.

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13. Cash and cash equivalents	As at 31 March 2025
Balances with Bank	
In current accounts (refer note i) below)	3,332
Deposits with banks with maturity less than 3 months (refer note ii) below)	16,144
Cash in hand	@
Total	19,476

Note :-
i) Earmarked bank balance of Rs. 241 Lacs relates to corporate social responsibility (CSR) activities and are restricted in use.
ii) Deposits amounting to Rs. 1,379 Lacs has been provided as security towards bank guarantee issued for electricity connection.

14. Other financial assets	As at 31 March 2025
Unsecured, considered good	
Security deposits	1
Interest receivable on Deposits with Bank	3
Total	4

15. Other current assets (Unsecured, Considered good)	As at 31 March 2025
TDS receivable	32
Balances with government authorities	1,251
Advances to suppliers & employees	66
Prepaid expenses	252
Other receivables	188
Total	1,789

16. Assets classified as held for sale	As at 31 March 2025
Freehold land (refer note below)	14
Total	14

Note :-
The Board of directors of the subsidiary company, in the prior years has approved the sale of a parcel of freehold land to Rothe Erde India Private Limited (referred as "buyer") and executed an agreement with buyer. Post execution, a suite was filed against the subsidiary company claiming the ownership of the land sold. The matter is under dispute and the management expects favourable outcome. The subsidiary company as well as the buyer are committed to the sale of land and continue to disclose it as asset held for sale. Rs 22 Lacs received as advance towards sale of land has been classified as liabilities directly associated with asset classified as held for sale.

17. Equity share capital	No. of Shares	As at 31 March 2025
(a) Authorised		
Equity shares of Rs. 10 each	1,60,00,00,000	1,60,000
(b) Issued, subscribed and fully paid		
Equity shares of Rs. 10 each	1,46,01,00,000	1,46,010
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the period		
At the beginning of the period	-	-
Add: Issue of shares during the period	1,46,01,00,000	1,46,010
Outstanding at the end of the period	**1,46,01,00,000**	**1,46,010**

During the period ended 31 March 2025, the Company has raised Equity funds of Rs. 1,46,010 Lacs from its holding company JSW JFE Electrical Steel Private Limited.

(d) Rights, preferences and restrictions attached to equity shares
The Company has single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

(e) There are no shares issued for consideration other than cash.

(f) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars		As at 31 March 2025	
		No. of shares	% of shares
JSW JFE Electrical Steel Private Limited		1,46,01,00,000	100%

(g)Promoter's shareholding

Promoter Name	As at 27 September 2024		As at 31 March 2025		Change in Promoter's shareholding
	No. of shares	Shareholding %	No. of shares	Shareholding %	
JSW JFE Electrical Steel Private Limited	1,00,000	100%	1,46,01,00,000	100%	NIL

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18. Other equity	As at 31 March 2025
Retained earnings	(6,274)
Total	(6,274)

Particulars	As at 31 March 2025
Balance at the beginning of the period	-
Add / Less : Profit / (Loss) for the period	(5,981)
Less : Transaction cost for issued share capital	(306)
Add : Other comprehensive income for the period, net of tax	13
Balance at 31 March 2025	(6,274)

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

19. Borrowings (at amortised cost) (Secured)	No. of Debentures	As at 31 March 2025
Debentures	2,60,000	2,60,000
Less: Unamortised upfront fee on borrowings		(4,107)
Total		2,55,893

During the period ended , the Company has raised debt funds of Rs. 2,60,000 Lacs by private placement of secured and redeemable non-convertible debentures (NCD) with foreign portfolio investors (FPI), which are listed on Bombay Stock Exchange (BSE) effective 29 January 2025. The said NCDs are assigned credit rating of AA- by Credit Analysis and Research Limited (Care Ratings) and redeemabale after 36 Months from deemed date of allotment 28 January 2025 and carry an interest rate of 9.45% p.a. The Company has given its investments in the subsidiary as security against such borrowings and the subsidiary company has hypothecated all propoerty, plant and equipment (except freehold land and buildings) and all current assets in favor of the Trustees).

20. Other financial liabilities	As at 31 March 2025
Interest accrued but not due on borrowings	4,378
Total	4,378

21. Provisions (Non Current)	As at 31 March 2025
Provision for employee benefits	
- Provision for gratuity (refer note 49)	1,964
Total	1,964

22. Deferred tax liabilities (Net)	As at 31 March 2025
Deferred tax liabilities	60,395
Less: Deferred tax asset	(2,555)
Total	57,840

Significant componants of deferred tax liability and movement during the period as under :-

Deferred tax balance in relation	Acquired pursuant to Business Combination (refer note 45)	Recognised/ (reversed) through profit and loss	Recognised in OCI during the period	As at 31 March 2025
Deferred tax liability				
Property, plant and equipment	23,919	(315)		23,604
Identifiable intangible assets	37,367	(749)		36,618
Investment property - Land	174	-		174
Inventory	335	(335)		-
Total deferred tax liability	61,794	(1,399)	-	60,395
Deferred tax asset				
Property plant and equipments, intangible assets and investment	1,151	(49)		1,102
Provision for employee benefit	1,165			1,165
Other provisions	101			101
Section 40(a) disallowance	108			108
Derivatives	23		-	23
Others	57	-		57
Total deferred tax asset	2,604	(49)	-	2,555
Total deferred tax liability (net)	59,191	(1,350)	-	57,840

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(All Amounts in Rs. in Lacs unless otherwise stated)

23. Trade payables	As at 31 March 2025
(a) Total outstanding, dues of micro and small enterprises	98
(b) Total outstanding, dues of creditors other than micro and small enterprises	17,410
Total	**17,508**

Ageing:

As at 31 March 2025

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	70	12	7	7	2	98
Trade payables to related parties	-	-	-	-	-	-	-
Others	1,389	15,812	182	9	5	13	17,410
Disputed trade payables	-	-	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Trade payables to related parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**1,389**	**15,882**	**194**	**16**	**12**		**17,508**

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 are as follows based on the information available with the management

Description	As at 31 March 2025
Principal amount due outstanding as at end of the period	98
Principal amount overdue more than 45 days	-
Interest due on (1) above and unpaid as at end of period	0
Interest paid to the supplier	-
Payments made to the supplier beyond the appointed day during the period	-
Interest due and payable for the year of delay	-
Interest accrued and remaining unpaid as at end of period	0
Amount of further interest remaining due and payable in succeeding period	44

Trade payables are normally settled within 90 days.

24. Other current financial liabilities	As at 31 March 2025
Unsecured	
Security deposit received	59
Employee benefits payable	1,173
Derivatives not designated as hedge	90
Other payables	1,188
Total	**2,510**

25. Provisions	As at 31 March 2025
Current	
Provision for employee benefits :-	
- Gratuity (refer note 49)	990
- Compensated absences (refer note 49)	1,012
Other provisions:	
- Provision for compounding charges (refer note below)	589
- Others	226
Total	**2,817**

Note :-

Provision for compounding charges pertain to certain pending regularisations and approvals in relation to construction done by a subsidiary company in earlier years as required under the law.
Other provisions refer to amount carried towards open direct and indirect tax litigations.

Movement in other provisions	As at 31 March 2025
Provision for compounding charges	
Acquired purusant to Business combination (Refer note 45)	589
Utilised during the year	-
Balance at the end of the period	**589**
Others	
Acquired purusant to Business combination (Refer note 45)	226
Movement during the year	-
Balance at the end of the period	**226**

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26. Other current liabilities	As at 31 March 2025
Statutory Liabilites	187
Advance from customers	485
Other Payables	68
Total	740

27. Liabilities directly associated with asset classified as held for sale	As at 31 March 2025
Advance received towards sale of fixed assets (refer note 16)	22
Total	22

28. Revenue from operations	For the period 27 September 2024 to 31 March 2025
- Sale of products	17,567
- Traded goods	1,450
Other operating revenue	
- Scrap sales	1,370
Total	20,387

IND AS 115 Revenue from Contracts with Customers

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.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure.

Details of contract balances

The following table provides information about trade receivables and contract liabilities from contracts with customers:

	For the period ended 31 March 2025
Trade receivable	19,691
Advance from customers	485

i) The credit period on sales of goods ranges upto 90 days with or without security.

ii) As at 31 March 2025 Rs. 192 Lacs was recognised as provision for allowance for doubtful debts on trade receivables.

iii) Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances.

29. Other Income	For the period 27 September 2024 to 31 March 2025
Interest income from fixed deposits	392
Net gain on foreign transaction & translations	19
Rental income (refer note 6)	16
Gain on sale of property, plant & equipments	16
Miscellaneous income	14
Total	457

30. Cost of material consumed	For the period 27 September 2024 to 31 March 2025
Raw material acquired pursuant to Business Combination (Refer Note 45)	27,720
Add: Purchases during the period	21,352
Less: Raw Material at the end of the period	(36,405)
Total	12,667

31. Purchase of stock-in-trade	For the period 27 September 2024 to 31 March 2025
Purchase of stock-in-trade	907
Total	907

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32. Changes in inventories of finished goods, Stock in trade & work-in progress		For the period 27 September 2024 to 31 March 2025
Acquired pursuant to business combination (refer note 45)		
Work-in-progress		14,014
Finished goods		7,470
Traded goods		3,389
	A	24,873
Closing Stock		
Work-in-progress		14,510
Finished goods		8,252
Traded goods		2,910
	B	25,672
	C= (A-B)	(799)

33. Employee benefit expenses	For the period 27 September 2024 to 31 March 2025
Salaries, wages and bonus	797
Gratuity expense (refer note 49)	45
Contribution to provident fund & other fund (refer note 49)	116
Staff welfare expenses	57
Total	1,016

34. Finance cost	For the period 27 September 2024 to 31 March 2025
Intrest Expense :	
- On debentures	4,379
- Others	@
Total	4,379

@ Amount less than Rs. 0.5 Lakhs

35. Depreciation and amortization expense	For the period 27 September 2024 to 31 March 2025
Depreciation of property, plant and equipment (Refer note 4)	1,692
Amortisation of intangible assets (Refer note 7)	2,993
Total	4,685

36. Other expenses	For the period 27 September 2024 to 31 March 2025
Stores and spares consumed	888
Power and Fuel	2,020
Repairs and maintenance related to	
- Machinery	48
- Building	92
- Others	55
Insurance	96
Rates and taxes	16
Freight Expenses	153
Corporate social responsibility expenses (Refer note (b))	360
IT service contract fees	140
Legal and professional fees	300
SAP & IT support charges	50
License, testing and certification fees	20
Fair value changes on derivatives not designated as hedges	9
Miscellaneous Expenses	118
Total	4,363

37. Income Tax

Components of income tax expense	For the period 27 September 2024 to 31 March 2025
Current tax	957
Deferred tax	(1,350)
Total	(393)

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(All Amounts in Rs. in Lacs unless otherwise stated)

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the period 27 September 2024 to 31 March 2025
(Loss) / Profit before tax	(6,374)
Enacted tax rate in India	25.17%
Expected Income tax expense at statutory tax rate	(1,604)
Expenses not deductible in determining taxable profit	91
Other temporary differences, business losses on which deferred tax not created	1,081
Others	39
Tax expense for the period	(393)
Effective income tax rate	6.17%

38. Earnings per share	For the period 27 September 2024 to 31 March 2025
Net (loss) for the period attributable to equity shareholders (A)	(5,981)
Weighted average number of equity shares for the purpose of calculating basic and diluted before earnings per share (B)	70,49,27,586
Earnings per share of Rs. 10 each (A/B)	(0.85)

39. Related party disclosures

List of related parties

A. Related party where control exists

1. **Holding Company**
   - JSW JFE Electrical Steel Private Limited
2. **Subsidiary**
   - JSW JFE Electrical Steel Nashik Private Limited

B. Venture of Company
- JSW Steel Limited
- JFE Steel Corporation, Japan

1. **Key management personnel**
   a. Tarang Desai, Director
   b. Takafumi Suzuki, Director
   c. Rajiv Negandhi - Chief Financial Officer
   d. Snigdha Tripathi - Company Secretary

B. Transactions with related parties	For the period 27 September 2024 to 31 March 2025
Rent Expenses	
JSW Steel Limited	2
Reimbursement of expenses	
JSW JFE Electrical Steel Private Limited	707

C. Balances with related parties	As at 31 March 2025
Trade payable	
JSW Steel Limited	1

40. Fair value measurements

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, 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.

A significant part of the financial assets is classified as Level 1 and Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in equity instruments, debt securities and derivatives, accordingly, any material volatility is not expected.

(a) Categories of financials instruments

	As at 31 March 2025			
Financial instruments by category	Amortized Cost	FVTPL	Total carrying value	Fair Value
Financial assets				
Trade receivables	19,691	-	19,691	19,691
Cash and cash equivalents	19,476	-	19,476	19,476
Other financial assets	97	-	97	97
Total Financial assets	39,264	-	39,264	39,264

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(All Amounts in Rs. in Lacs unless otherwise stated)

Financial instruments by category	As at 31 March 2025 Amortized Cost	FVTPL	Total carrying value	Fair Value
Financial Liabilities				
Borrowings	2,55,893	-	2,55,893	2,55,893
Trade payables	17,508	-	17,508	17,508
Other financial liabilities	6,798	90	6,888	6,888
Total financial liabilities	**2,80,198**	**90**	**2,80,288**	**2,80,288**

(b) Fair value hierarchy of financial instruments

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 the reliability of inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Details of Financial assets/ liabilities measured at amortised cost but fair value disclosed in category wise

Particulars	As at 31 March 2025	Level	Valuation techniques and key inputs
Other financial liabilities			
Derivatives not designated as hedge	90	2	Based on exchange rate received from bank on monthly basis

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. However the Company does not have any financial instruments that are measured using Level 1 inputs.

Level 2: The fair value of 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.

41. Financial Instruments

A - Capital Management

Particulars	As at 31 March 2025
Long term borrowings	2,55,893
Total borrowings	**2,55,893**
Less:	
Cash and cash equivalents	19,476
Net debt	**2,36,417**
Total equity	**1,39,736**
Gearing ratio	**1.69**

Note :-

i) The group's capital requirement is mainly towards operations, repayment of principal and interest on its borrowings.

ii) Total equity includes all reserves of group that are managed as capital.

iii) Group monitors its capital using gearing eatio, which is net debt to total equity. Net debt includes interest bearing loans & borrowings less cash & cash equivelants, bank balances other than cash & cash equivelant.

B - Financial risk management

Due to its business activities, the Group is exposed to various financial risks, such as market risks (which comprises of foreign exchange risk and Interest rate risk), credit risk and liquidity risk. The Group's financial risk management aims to limit any adverse effects that the markets may have on the Company's financial health, at an acceptable hedging cost. Risk limitation does not mean complete exclusion of financial risks, rather it means following a policy of economically sensible management of the Group's finances within an agreed framework of documented authority. The Group uses derivative financial instruments to hedge certain risks. Only preapproved instruments are used and no speculative transactions are carried out. No hedges are entered into without a corresponding base transaction. Management monitors and steers such risks continuously with the support of finance department.

C -Market risk management

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

D- Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the EUR. Foreign exchange risk arises from future commercial transactions and recognised assets & liabilities denominated in a currency that is not the Company's functional currency (INR). The objective of the hedge is to minimise the impact of the volatility of the foreign currency cost on imports during the year.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period are as follows :-

Particulars	As at 31 March 2025					
	Rs.	EUR	USD	GBP	JPY	Total
Financial Assets						
Trade Receivables	19,691	-	-	-	-	19,691
Cash and cash equivalents	19,476	-	-	-	-	19,476
Other financial assets	97	-	-	-	-	97
Total financial assets	**39,264**	-	-	-	-	**39,264**

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED

Notes to the consolidated financial statements as at and for the period ended 31 March 2025

(All Amounts in Rs. in Lacs unless otherwise stated)

Particulars	As at 31 March 2025					
	Rs.	EUR	USD	GBP	JPY	Total
Financial liabilities						
Borrowings	2,55,893	-	-	-	-	2,55,893
Trade Payables	17,317	190	1	-	-	17,508
Other financial liabilities	6,798	89	-	-	1	6,888
Total financial liabilities	**2,80,008**	**279**	**1**	**-**	**1**	**2,80,289**

E - Interest risk management

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 not exposed to interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees with fixed rates of interest in rupees so hedging is not applicable

Particulars	As at 31 March 2025
Fixed rate borrowings	2,60,000
Total gross borrowings	**2,60,000**
Less: Upfront fees	(4,107)
Total borrowings (refer note 20)	**2,55,893**

F - Liquidity risk management

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities which will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period to settle trade payables is about 60-90 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Liquidity exposure as at 31 March 2025

Particulars	Less than 1 year
Financial assets	
Trade receivables	19,691
Cash and cash equivalents	19,476
Other financial assets	97
Total	**39,264**
Financial liabilities	
Borrowings	2,55,893
Trade payables	17,508
Other financial liabilities	6,888
Total	**2,80,288**

G - Credit risk management

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's trade receivables, other financial assets & cash & cash equivalents..

(a.) Risk Management:

In case of credit or default risk associated with trade receivables, the Group follows a defined credit policy under which each new customer is analysed individually for creditworthiness before payment and delivery terms and conditions are offered. Credit ratings are reviewed regularly, and limits are set and monitored on an ongoing basis. Trade receivables are valued at the original invoiced amount less any necessary value adjustments for default risks. The Group has process of detailed review of overdue trade receivables at various levels within organisation to ensure proper attention and focus for realisation and based on assessment performed management has concluded that impact of expected credit loss is not material and current provision made against trade receivable is adequate to cover the provision on account of expected credit loss.

The Group keeps funds only with reputed banks with very high credit worthiness. The management periodically assesses the relevant ratings and credit default spreads of these banking institutions. There was no subsequent loss identified by management for Cash & Cash equivalent.

(b.) Security:

For some trade receivable the Group may obtain letter of credit which can be called upon if the counter party defaults in the terms of agreement.

(c.) Impairment of Financials Assets:

The Company has following type of financials assets that are subject to expected credit loss model:

- Trade Receivable
- Security Deposits included in other financial assets & term deposits are carried at amortised cost

While cash and cash equivalents are also subject to impairment requirements under Ind-AS 109, there was no identified impairment loss.

42. Contingent Liabilities

There are no contingent liabilities for the period.

43. Segment Reporting

The Company has only one operating segment which is manufacturing of grain oriented steel. The information relating to revenue domestic & export and customers contributing more than 10% of revenue is only reportable segment has been disclosed below:-

Information about Geographocal revenue.

Revenue from operations

Perticulars	Within India	Outside India	Total
Revenue from operations	20,387	-	20,387

b) Customers contributing more than 10% of revenue

No single customer contributes more than 10% of revenue.

44. Commitment

1. Amount of Non convertible debenture Interest remaining to be paid Rs. 80,895 Lacs.
2. Estimated value of contracts in capital account remaining to be executed (net of advance) - Rs. 17,486 Lacs

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45. Business Combination

On 29 January 2025, the Group has acquired 100% shares of JSW JFE Electrical Steel Nashik Private Limited ("J2ES Nashik") (formerly known as thyssenkrupp Electrical Steel India Private Limited) for a net consideration of Rs. 4,00,361 Lacs from thyssenkrupp Electrical Steel GmbH and thyssenkrupp Electrical UGO S.A.S. pursuant to Share Purchase Agreement dated 18 October 2024. J2ES Nashik is engaged in the manufacture of Electrical Steel Cold Rolled Grain Oriented Electrical Steel ("CRGO") (hereinafter referred to as the "Finished Goods"), which is a speciality material used wherever electrical energy is required to be efficiently converted, transported, and used, such as in transformers, electric motors, inductors, chokes and in large high-performance generators. The finished goods are used in various industries due to its unique and exceptional magnetic properties.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a provisional basis , pending final determination of the fair value of acquired assets and liabilities which resulted in a goodwill on Rs. 1,15,712 as at March 31, 2025.

The fair value of acquired assets and liabilities as on the date of acquisition and purchase consideration is as below:

Particulars	Provisional fair value recognised on acquisition
(A) ASSETS	
a) Property, plant and equipment (including capital work in progress and investment property)	1,18,847
b) Other intangible assets	1,48,511
c) Inventories	53,968
d) Trade and other receivables	19,140
e) Cash and cash equivalents	12,299
Total (A)	**3,52,765**
(B) LIABILITIES	
a) Trade and other payables	3,410
b) Other liabilities	720
c) Provisions	4,796
d) Deffered tax liabilities	59,190
Total (B)	68,116
Total identifiable net assets acquired at fair value (C) = (A-B)	**2,84,649**
Purchase Consideration transferred in cash (D)	**4,00,361**
Goodwill arising on acquisition	**1,15,712**

46. Subsidiaries

Details of group subsidiaries at end of reporting period are as follows:

Name of Subsidiary	**Place of incorporation and Operation**	**Proportion of ownership & voting power held by the group as at 31 March 2025**	**Principal activity**
JSW JFE Electrical Steel Nashik Private Limited.	India	100%	Manufacturing of cold rolled grain oriented electrical steel (CRGO)

47. Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements.

48. Disclosure of additional information pertaining to the Parent Company, Subsidiary as per Schedule III of Companies Act, 2013

	Net Assets, i.e., total assets minus total liabilities		**Share in profit or loss**		**Share in other comprehensive income**		**Share in total comprehensive income**	
Name of entity in the group	**As % of consolidated net assets**	**Amount**	**As % of consolidated profit or loss**	**Amount**	**As % of consolidated other comprehensive income**	**Amount**	**As % of consolidated Total comprehensive income**	**Amount**
JSquare Electrical Steel Nashik Private Limited	-185%	(2,58,953)	119%	(7,124)	-	-	119%	(7,124)
JSW JFE Electrical Steel Nashik Private Limited	285%	3,98,688	-19%	1,142	100%	13	-19%	1,156

(All Amounts in Rs. in Lacs unless otherwise stated)

49. Employee benefit obligation

A. Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary and allowances as per local regulations. The contributions are made to regulated provident fund administered by the government. The company also contributes towards super annuation fund for employees up to 13% of Basic salary to Life Insurance Corporation of India The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company has recognised the following amount in the Statement of Profit and Loss for the period

Particulars	**Year ended March 31, 2025**
Contribution to employees provident fund	86
Superannuation fund	30
Total	**116**

B. Defined benefit plans - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non funded.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:

Particulars	**Amount**
On acquisition of subsidiary	**2,973**
Current service cost	18
Past service costs	-
Interest expenses/(income)	27
Total amount recognised in Profit and loss	**45**
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	4
Experience (gains)/losses	(22)
Total amount recognised in Other Comprehensive Income	**(18)**
Employer contribution	-
Mortality charges and taxes	-
Benefits payments	(46)
As at 31 March 2025	**2,954**

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	**As at 31 March 2025**
Present value of un-funded obligation	2,954
Classification	
Non Current	1,964
Current	990

Significant estimates

The significant actuarial assumptions were as follows :

Particulars	**As at 31 March 2025**
Discount rate*	6.70%
Salary escalation rate #	8.00%
Withdrawal Rate:	
Age up to 30 years	21.00%
Age 31-40 years	6.00%
Age 41-50 years	1.00%
Age above 50 years	17.00%
Mortality Rate	IALM(2012-14)ult

*The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation As at 31 March 2025
Discount rate increase by 0.50%	(51)
Discount rate decrease by 0.50%	53
Salary Escalation rate increase by 0.50%	48
Salary escalation rate decrease by 0.50%	(47)

The above sensitivity analysis is based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Risk exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.

Interest Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.

Longevity Risk

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

Salary 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.

Changes in bond yields

A decrease in bond yields will increase plan liabilities.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

The weighted duration of the defined benefit obligation is 3.49 years.

Expected maturity analysis on an undiscounted basis restricted to the expected payment for period of 10 years as provided in actuarial report is as follows-

Maturity Profile	As at 31 March 2025
Expected benefits for year 1	860
Expected benefits for year 2 to 5	1,857
Expected benefits for year 6 to 10	1,152

C. Leave Obligation

Particulars	As at 31 March 2025
Leave obligations (refer note below)	
Current	1,012
	1,012

Note :-

The entire amount of the provision of Rs. 1,012 lacs is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

The leave obligations for cover the company's sick leave and privilege leave. The significant assumptions were as follows:-

Particulars	As at 31 March 2025
Discount rate	6.70%
Salary growth rate	8.00%

JSQUARE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Notes forming part of Consolidated Financial Statements for the period ending 31 March 2025
(All Amounts in Rs. in Lacs unless otherwise stated)

50. Ratio Analysis

S No	Ratios	Numerator	Denominator	As at 31 March 2025
1	Current Ratio	(Current Assets)	(Current Liabilities)	4.24
2	Debt Equity Ratio	(Total Borrowings)	(Total Equity)	1.83
3	Debt service coverage ratio	(Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges)	(Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/refinancing) 'during the year) (Net Finance Charges : Finance Costs - Interest Income - Net Gain/(Loss) on sale of current investments)	0.72
4	Return on Equity	Profit after tax	Average Shareholder's equity	-8.00
5	Inventory Turnover Ratio (no of days)	(Average inventory)* no of days	(Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + MDO cost)	345
6	Debtors Turnover (no of days)	(Average Trade receivables)* no of days	(Gross sales)	58
7	Creditors Turnover (no of days)	(Average Trade payables)* no of days	Cost of materials consumed + Purchases of stock-in-trade + Changes in ir	82.00
8	Net Capital Turnover	Net Sales	Current assets-Current liabilities	0.26
9	Net Profit Margin %	(Net profit for the period)	(Revenue from operations)	(29.34%)
10	Return on capital employed	Profit before Tax after Exceptional Items, Finance cost	Tangible Net Worth + Total Debt + Deferred Tax Liability	(1.41%)

51. Qualitative disclosures pertaining to Schedule III

(i) The Company do not have any transactions with companies struck off.

(ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.

52. The Group has been maintaining its books of account wherein:

1. The Company has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021.

2. For subsidiary one accounting software, namely SAP, which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021, has been used. However, since the server of the software is located outside India and was managed by the erstwhile Promoter Company i.e., thyssenkrupp Electrical Steel Gmbh, the Company is in the process of obtaining necessary information with respect to audit trail. Subsequent to period ended March 31, 2025, the subsidiary company has transferred server in India and is also in process of migrating to an upgraded version of SAP containing necessary controls and documentations regarding audit trail. For other softwares, namely Manufacturing Execution System (MES) and Payroll for maintaining inventory and payroll records respectively, due to inherent limitations of the softwares, no audit trail feature exists. The subsidiary company is evaluating the possible alternatives for implementing the audit trail feature to comply with the requirement of proviso to sub rule (1) of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021.

Also during the period ended March 31, 2025, the Company has taken daily backups of the books of account and other books and papers maintained in electronic mode on servers physically located outside India. As mentioned above, subsequent to period ended March 31, 2025, the Company has taken necessary steps to ensure that backups are maintained on servers physically located in India, as required by The Companies (Accounts) Rules, 2014.

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JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD. ★

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Notes forming part of Consolidated Financial Statements for the period ending 31 March 2025
(All Amounts in Rs. in Lacs unless otherwise stated)

53. The company has been incorporated on 27 September 2024, accordingly this financial statement being the first period financial statements, comparative figures of previous period are not applicable.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pushkar Sakhalkar
Partner
Membership Number: 160411
Place: Mumbai
Date: 20 May, 2025

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Jsquare Electrical Steel Nashik Private Limited
CIN: U24319MH2024PTC432825

Mr. Tarang R. Desai
Director
DIN No. 10490521
Place: Mumbai
Date: 20 May, 2025

鈴木隆史

Mr. Takafumi Suzuki
Director
DIN No. 10458199
Place: Tokyo
Date: 20 May, 2025

Mr. Rajiv Negandhi
Chief Financial Officer
Place: Mumbai
Date: 20 May, 2025

Snigdha Tripathi

Mrs. Snigdha Tripathi
Company Secretary
ICSI M No. A47758
Place: Mumbai
Date: 20 May, 2025

JSQUARE ELECTRICAL STEEL NASHIK PVT. LTD.

JSW JFE Electrical Steel

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 1st ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED WILL BE HELD ON WEDNESDAY, 31 DECEMBER, 2025 AT 5:00 P.M. AT A SHORTER NOTICE AT THE REGISTERED OFFICE OF THE COMPANY AT 5TH FLOOR, JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI – 400051, MAHARASHTRA, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Report of the Auditors thereon.**

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

   "**RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Report of the Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

2. **To appoint M/S. S R B C & CO. LLP, Chartered Accountants as the Statutory Auditor of the Company and fix their remuneration**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and basis the recommendation of Board of Directors of the Company, M/s. S R B C & Co. LLP, Chartered Accountants (Registration No. 324982e/E300003), be and is hereby appointed as the Statutory Auditors of the Company for a the first term of five consecutive years, to hold office from the conclusion of this 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company, at such remuneration to be decided by the Board of Directors in consultation with the

JSW JFE Electrical Steel Nashik Private Limited

Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof or any other person(s) authorised by the Board or its Committee in this regard) be and is hereby authorised to fix and/or alter the remuneration including out of pocket expenses, of the Statutory Auditors of the Company and to take all such steps and decisions as may be required in this connection for and on behalf of the Company including to seek all necessary approvals to give effect to this Resolution, to sign and execute all deeds, applications, documents, papers, forms and writings that may be required, to settle all such issues, questions, difficulties or doubts whatsoever that may arise, as it may consider appropriate to give effect to this Resolution and for the matters connected therewith or incidental thereto;

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as it may deem fit to give effect to the aforesaid resolution including to sign any copy of the aforesaid resolution as certified true copy and furnish to such persons and they be requested to act thereon and sign and file requisite forms and other documents with the Registrar of Companies or any other statutory authority as may be required."

By order of the Board of Directors
For JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
(Formerly Jsquare Electrical Steel Nashik Private Limited)

Snigdha Tripathi

JSW JFE Electrical Steel Nashik Private Limited

Snigdha Tripathi
Company Secretary
Membership no.: A47758

Date: 30.12.2025
Place: Mumbai

Registered Office:
JSW Center, Bandra Kurla Complex, Bandra (East) Mumbai 400051

NOTES:

1. This meeting will be convened at Shorter Notice after obtaining shorter notice consent from requisite shareholders.

2. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

3. Proxy Form

   A Proxy Form, in prescribed format (Form MGT-11), is being enclosed herewith, with instructions for filing, signing and submitting the same. The instrument of proxy, in order to be effective, must be deposited with the Company at its registered office not less than forty-eight (24) hours before the commencement time of the 1st Annual General Meeting ("Meeting") unless the consent for holding the meeting at shorter notice is approved by all the members of the Company. The Proxy Form, if not complete in all respects, will be considered invalid.

4. Attendance Slip

   Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting along with a valid photo identity proof for verification purpose.

5. Request for updating contact and other details:

   Members are requested to update their change in contact details including email address and Bank details, if any.

6. Corporate Representations:

   Corporate members intending to attend the meeting through their authorized representatives are requested to email/ courier/deliver to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting in pursuance of Section 113 of the Companies Act, 2013.

7. Inspection of Relevant Documents/Registers:

   For inspection of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as Jsquare Electrical Steel Nashik Private Limited)
CIN.: U24319MH2024PTC432825 | GST: 27AAGCJ5936K1Z3
Factory Premises: At post Gonde, Village Wadivarhe, Taluka Igatpuri, Dist. Nashik, Maharashtra 422403, India.
P: +91 (0) 2553 225182-88 | F: +91 (0) 2553 225181

Registered Office: 5th Floor, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra 400051, India
Email: snigdha.tripathi@jsw.in | P:+ 91 22 42861000 | website: www.j2es.in

Arrangements in which Directors are interested, maintained under Section 189 of the Act, Register of Members under section 171 or other documents as referred in this Notice, the members may send their request on the designated email ID (snigdha.tripathi@jsw.in) any time before and during the meeting.

8. Queries:

   Members can express their views and submit questions/ queries in advance with regard to the Financial Statements or any other agenda item to be placed at the AGM, from their registered e-mail address, mentioning their name, Folio-number and mobile number, on the email id of the Company Secretary of the Company at snigdha.tripathi@jsw.in .

9. The notice of the AGM along with the Annual Report for the financial year 2024-2025 is being sent only through electronic mode to members whose email addresses are registered with the Company. Members may note that Notice and the Annual Report for the financial year 2024-2025 will also be available on Company's website.

10. Route Map: As per the requirements of SS - 2, a route map showing directions to reach the venue of the Meeting is given at the end of this Notice.

11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is not required for the agenda items as all business items are general/ ordinary in nature.

JSW JFE Electrical Steel

ATTENDANCE SLIP

JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Registered Office: 5TH Floor, JSW Centre, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051, Maharashtra, India
CIN: U24319MH2024PTC432825

1st Annual General Meeting - Wednesday 31, 2025.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING

Name and Address of the First named Member: Name of the Joint holder(s), if any: DP Id/Client Id: Folio No.: No. of Shares: Name of Proxy/Authorised Representative:	

I/We certify that I/We am/are Member(s)/Proxy for the Member(s) of the Company.

I/We hereby record my/our presence at the **1st Annual General Meeting** ("Meeting") of the Company held on **Wednesday, 31st December at 5:00 p.m. (IST) at Registered Office of the Company at 5th floor, JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051, Maharashtra, India.**

Signature of 1st holder/Proxy/Authorised Representative: ________________
Signature of Joint holder: ______________________________

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Email: snigdha.tripathi@jsw.in | P:+ 91 22 42861000 | website: www.j2es.in

Notes:

1. Only Shareholders of the Company and/or their Proxy/Authorised Representative will be allowed to attend the Meeting;
2. You are requested to bring your copy of the Annual Report to the Meeting;

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JSW JFE Electrical Steel

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Registered Office: 5th floor, JSW Centre, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051, Maharashtra, India
CIN: U24319MH2024PTC432825

Name of the member(s)	:	
Registered address	:	
E-mail Id	:	
Folio No./Client Id	:	
DP ID	:	

I/We, being the member (s) of JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED holding ______________________ shares of the above-named company, hereby appoint:

1. Name: ______________________ E-mail Id: ______________________
Address: ______________________
______________________ Signature:
or failing him,

2. Name: ______________________ E-mail Id: ______________________
Address: ______________________
______________________ Signature:
or failing him,

3. Name: ______________________ E-mail Id: ______________________
Address: ______________________
______________________ Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1ST **Annual General Meeting** ("Meeting") of the Company held on **Wednesday, 31st December, 2025 at 5:00 p.m. at Registered Office of the Company at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051, Maharashtra, India** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Nature of Resolutions	For	Against
	Ordinary Business:		
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Report of the Auditors thereon.		
2.	To appoint M/S. S R B C & CO. LLP, Chartered Accountants as the Statutory Auditor of the Company and fix their remuneration		

Signed this ___________ day of _______________ 2025.

Affix Revenue Stamp

________________________ ________________________

Signature of shareholder Signature of Proxy holder(s)

Notes:

1. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty (50) Members and holding in aggregate not more than ten percent (10%) of the total Share Capital of the Company. A Member holding more than ten percent (10%) of the total Share Capital of the Company may appoint a single person as Proxy for his entire shareholding, who shall not act as Proxy for any other person or Member.

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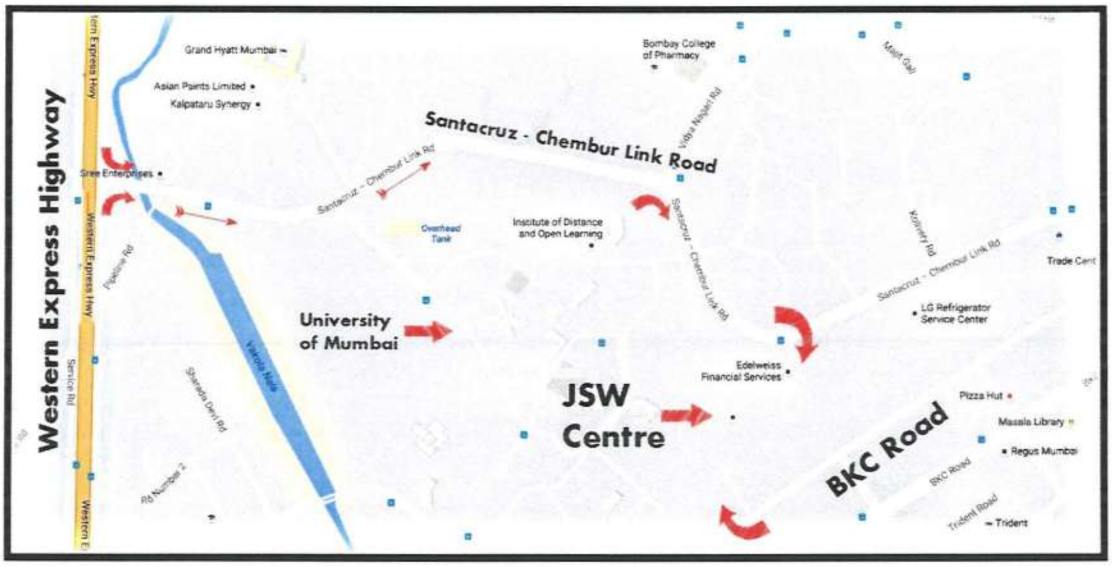
2. This form of Proxy, to be effective, should be completed, signed, stamped & deposited at the Registered Office of the Company not later than FORTY-EIGHT HOURS before the commencement of the aforesaid Meeting. Please complete all details of Member(s) in the form before submission. Incase of Shorter Notice, before the commencement of meeting.
3. It is optional to indicate your preference. If you leave the 'for' and 'against' column blank on all/any resolutions, your Proxy(ies) will be entitled to vote on Poll (if taken) in the manner as he/she thinks fit.

Venue of 1st Annual General Meeting:
JSW JFE ELECTRICAL STEEL NASHIK PRIVATE LIMITED
Registered Office at 5th Floor, JSW Centre, Bandra – Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India

Route Map:



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RELEVEANT DETAIL FORMING PART OF ANNUAL REPORT

Board of Directors (as on March 31, 2025):

Mr. Tarang Rajeshbhai Desai (Non-Executive Director)
DIN: 10490521

Mr. Takafumi Suzuki (Non-Executive Director)
DIN: 10458199

Key Managerial Personnel (as on March 31, 2025):

CFO- Mr. Rajiv Negandhi (w.e.f 16.01.2025)
Company Secretary: Ms. Snigdha Tripathi (w.e.f 13.01.2025)

Statutory Auditors: M/s. S R B C & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E / E300003)

Secretarial Auditors: M/s. Shreyans Jain & Co., Company Secretaries

Debenture Trustee:
IDBI Trusteeship Services Limited
Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001
+91 22 4080 7000
itsl@idbitrustee.com

Registrar and Share Transfer Agent: NSDL Database Management Limited

Registered office address of Company:
5th Floor, JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051
Phone: +91 022 4286 5100

CIN: U24319MH2024PTC432825

Website: Contact: www.j2es.in

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