



JSW JFE Electrical Steel Nashik Private limited

(Formerly known as thyssenkrupp Electrical Steel India Private Limited)

[CIN:U27100MH2000PTC127807]

Financial Statements for the year ended 31st March 2025

Registered Office:-

At post Gonde, Village Wadivarhe, Taluka Igatpuri, Dist. Nashik, Maharashtra 422403, India.

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INDEPENDENT AUDITOR'S REPORT

To the Members of JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JSW JFE Electrical Steel Nashik Private Limited (Formerly known as thyssenkrupp Electrical Steel India 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 year then ended, and notes to the 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 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 profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the 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 Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of the Management for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Other Matters

The financial statements of the Company for the year ended March 31, 2024, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on August 06, 2024.

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 required by law have been kept by the Company so far as it appears from our examination of those books except (a) that the backup of the 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 (b) for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
 - (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 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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
 - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements 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 Company for the year 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31(a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 37(a)(vii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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, as disclosed in the note 37(a)(vii) to the financial statements, 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 year by the Company.
- vi. As more fully described in note 38 to the financial statements, based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, however in the 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 year for all relevant transactions recorded in the software. Additionally, for the reasons stated in note 38 to the financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

per Pushkar Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZLM1006
Place of Signature: Mumbai
Date: June 13, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: JSW JFE Electrical Steel Nashik Private Limited (Formerly known as thyssenkrupp Electrical Steel India 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 maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) As disclosed in note 4(a) to the financial statements, the title deeds of all the immovable properties are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.
- (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) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) As disclosed in note 31(b) to the financial statement, during the year the Company has provided guarantee/ security as follows:

(INR in Crores)

Particulars	Guarantee/ Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year			
- Subsidiaries			
- Joint Ventures	-	-	-
- Associates			
- Others	2,600		
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries			
- Joint Ventures	-	-	-
- Associates			
- Others	2,600		

- (b) During the year, the guarantees and security provided are not prejudicial to the Company's interest. The Company has not made any investments and granted loans and advances 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 clauses 3(iii)(c) to (f) of the Order are not applicable to the Company.

- (iv) Guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable have been complied with by the Company. The Company has not made any loans and investments during the year.
- (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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. The provisions relating to sales tax, service tax, duty of excise and value added tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of income-tax, service tax, duty of custom, duty of excise, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(INR in Crores)

Name of the statute	Nature of the dues	Amount (Rs)	Amount paid under protest (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	26.85	5.5	AY 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	4.34	-	AY 2018-19 AY 2020-21 AY 2021-22 AY 2023-24	Commissioner Income Tax (Appeals)
The Customs Act, 1962	Customs Duty	16.32	-	2015-17	The Customs Excise & Service Tax Appellate Tribunal
The Customs Act, 1962	Customs Duty	0.39	-	2015 -16	The Assistant Commissioner of Customs
The Customs Act, 1962	Customs Duty	0.48	-	2012 -13	The Deputy Commissioner of Customs
Central Excise Act, 1944	Excise Duty	4.38	0.33	2005 - 2008	The Customs Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	0.08	-	2008-2014	The Commissioner of Central Excise, Customs & Service Tax
Finance Act, 1994	Service Tax	0.81	-	2011-2016	The Commissioner of Central Excise, Customs & Service Tax
Finance Act, 1994	Service Tax	0.02	-*	2012-2015 2017-2018	The Commissioner (Appeals), GST & Central Excise & Service Tax

* Amount less than 1 lakhs

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.
- (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 year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act, has been filed by cost auditor/ secretarial auditor or by us 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 year.
- (xii) 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) & (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 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 is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) We have been informed by the management that 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 not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in note 37 (b) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 24 (b) to the financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 24 (b) to the financial statements.

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

per Pushkar Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZLM1006
Place of Signature: Mumbai
Date: June 13, 2025

ANNEXURE 2 to the Independent Auditor's Report of even date on the financial statements of JSW JFE Electrical Steel Nashik Private Limited (Formerly known as thyssenkrupp Electrical Steel India 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 financial statements of JSW JFE Electrical Steel Nashik Private Limited (Formerly known as thyssenkrupp Electrical Steel India Private Limited) (the "Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 Act.

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 Sakhalkar
Partner
Membership Number: 160411
UDIN: 25160411BMLZLM1006
Place of Signature: Mumbai
Date: June 13, 2025

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	4(a)	137.00	123.85
Capital work- in-progress	4(a)	12.77	29.27
Investment property	4(b)	0.34	0.34
Other intangible assets	4(c)	0.49	0.40
Financial assets			
Other financial assets	5(a)	0.68	0.59
Deferred tax assets (net)	6	27.03	22.07
Current tax assets (net)		7.60	11.00
Other non-current assets	7	6.98	8.36
Total non-current assets		192.89	195.88
Current assets			
Inventories	8	633.81	497.96
Financial assets			
i) Trade receivables	9(a)	196.91	127.30
ii) Cash and cash equivalents	9(b)	174.00	86.99
iii) Bank balance other than cash and cash equivalents	9(c)	2.41	0.47
iv) Other financial assets	5(b)	1.22	0.01
Other current assets	10	10.21	22.64
		1,018.56	735.37
Assets classified as held for sale	11	0.14	0.14
Total current assets		1,018.70	735.51
Total assets		1,211.59	931.39
Equity and Liabilities			
Equity			
Equity share capital	12	414.93	414.93
Other equity	12(a)	515.64	398.63
Total equity		930.57	813.56
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	13	19.13	-
Provisions	14(a)	19.64	19.69
Total Non-current liabilities		38.77	19.69
Current liabilities			
Financial liabilities			
i) Trade payables	15		
A)Total outstanding dues of micro and small enterprises		0.98	2.04
B) Total outstanding dues of creditors other than micro and small enterprises		171.03	37.02
ii) Other financial liabilities	16	28.10	11.25
Other current liabilities	17	7.37	4.50
Current tax liabilities (net)		8.64	-
Provisions	14(b)	25.91	43.11
		242.03	97.92
Liabilities directly associated with asset classified as held for sale	18	0.22	0.22
Total current liabilities		242.25	98.14
Total liabilities		281.02	117.83
Total equity and liabilities		1,211.59	931.39

The accompanying notes are an integral part of these financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private limited
CIN:U27100MH2000PTC127807

per Pushkar Sakhalakar
Partner
Membership No.160411
Place: Mumbai
Date: June 13, 2025

Tarang R. Desai
Director
(DIN: 10490521)
Place: Mumbai

Joydeep Bhattacharjee
Director & CEO
(DIN: 02813496)
Place: Nashik

Amit Aeron
Chief Financial Officer
Place: Nashik

Aakash Landge
Company Secretary
(ACS: 51295)
Place: Nashik

Date: June 13, 2025

JSW JFE Electrical Steel Nashik Private limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
(All amounts in INR Crores, unless otherwise stated)
Statement of Profit and Loss for the year ended March 31, 2025

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	19	1,315.30	1,271.37
Other income	20	10.61	44.19
Total income		1,325.91	1,315.57
Expenses			
Cost of material consumed	21	689.59	678.27
Purchase of stock-in-trade		73.86	58.61
Changes in inventories of finished goods, stock in trade & work-in progress	21(a)	27.45	(2.51)
Employee benefits expenses	22	64.52	59.28
Finance costs	25	0.01	0.51
Depreciation and amortisation expenses	23	35.83	32.62
Other expenses	24	246.15	249.63
Total expenses		1,137.41	1,076.41
Profit before tax		188.50	239.16
Income tax expenses	26		
Current tax		43.40	40.05
Deferred tax		3.36	2.27
Total tax expense		46.76	42.32
Profit for the year		141.74	196.83
Other comprehensive income			
Items that will not be re-classified to profit or Loss			
Remeasurements of post employment benefit obligations	27	(1.83)	(0.14)
Income tax relating to these items		0.46	0.03
Other comprehensive income for the year, net of tax		(1.37)	(0.10)
Total comprehensive income for the year		140.37	196.73
Earnings per equity share			
Basic earning per share (INR)		3.42	4.74
Diluted earning per share (INR)	33	3.42	4.74

The accompanying notes are an integral part of these financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private limited
CIN:U27100MH2000PTC127807

per Pushkar Sakhalkar
Partner
Membership No.160411
Place: Mumbai
Date: June 13, 2025

Tarang R. Desai
Director
(DIN: 10490521)
Place: Mumbai

Joydeep Bhattacharjee
Director & CEO
(DIN: 02813496)
Place: Nashik

Amit Aeron
Chief Financial Officer
Place: Nashik

Aakash Landge
Company Secretary
(ACS: 51295)
Place: Nashik

Date: June 13, 2025

JSW JFE Electrical Steel Nashik Private limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
(All amounts in INR Crores, unless otherwise stated)
Statement of Cash flows for the year ended March 31, 2025

	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit before tax	188.50	239.17
Adjustments for		
Depreciation and amortization expenses	35.83	32.62
(Gain)/Loss on sale of property, plant and equipment	(0.71)	(1.19)
Provision for MSME interest	-	0.44
Interest income	(6.04)	(5.20)
Change in fair value of financials assets at FVTPL	0.55	0.45
Liabilities no longer required written back	(0.26)	(21.37)
Unrealised foreign exchange gain	(0.02)	(0.55)
Deferred guarantee commission	(0.28)	-
Income from rent	(0.92)	(0.84)
Operating profits before working capital changes	216.65	243.63
(Increase)/decrease in trade receivables	(69.62)	33.01
(Increase)/decrease in inventories	(135.85)	122.66
(Increase)/decrease in other financial assets	(1.31)	(0.06)
Decrease/(increase) in Other Assets	12.61	11.50
(Increase)/(decrease) in trade payables	132.97	(326.13)
(Decrease)/increase in provisions	(18.82)	3.06
Increase/(decrease) in other financial liabilities	4.15	0.62
Increase/(decrease) in other current liabilities	2.87	(13.29)
Net cash flow generated from operating activities	143.66	75.00
Income taxes paid	(30.53)	(58.43)
Net cash flow from operating activities	113.13	16.57
Cash flow from investing activities		
Acquisition of property, plant and equipments	(31.38)	(43.86)
Proceeds from sale of property, plant and equipments	0.71	1.19
Investment made in fixed deposits	-	(0.01)
Interest received	6.04	5.35
Rent received	0.92	0.84
Bank balances not considered as cash and cash equivalents	(2.41)	(0.47)
Net cash used in investing activities	(26.12)	(36.96)
Cash flow from financing activities		
Net cash outflow from financing activities	-	-
Net (Decrease)/increase in cash and cash equivalents	87.01	(20.39)
Cash and cash equivalents at the beginning of the year	86.99	107.38
Cash and cash equivalents at the end of the year (refer note 9(b))	174.00	86.99

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private limited
CIN:U27100MH2000PTC127807

per Pushkar Sakhalakar
Partner
Membership No.160411
Place: Mumbai
Date: June 13, 2025

Tarang R. Desai
Director
(DIN: 10490521)
Place: Mumbai

Joydeep Bhattacharjee
Director & CEO
(DIN: 02813496)
Place: Nashik

Amit Aeron
Chief Financial Officer
Place: Nashik

Aakash Landge
Company Secretary
(ACS: 51295)
Place: Nashik

Date: June 13, 2025

JSW JFE Electrical Steel Nashik Private limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
(All amounts in INR Crores, unless otherwise stated)
Statement of changes in equity for the year ended March 31, 2025

A. Equity share capital

	Amount
As at April 1, 2023	414.93
Changes in equity share capital	-
As at March 31, 2024	414.93
Changes in equity share capital	-
As at March 31, 2025	414.93

B. Other equity

	Retained earnings
As at April 1, 2023	201.90
Profit for the year	196.83
Other comprehensive Income	(0.10)
As at March 31, 2024	398.63
Profit for the year	141.74
Other comprehensive Income	(1.37)
Deemed capital distribution, net of taxes (refer note 12(a))	(23.36)
As at March 31, 2025	515.64

The accompanying notes are an integral part of these financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private limited
CIN:U27100MH2000PTC127807

per Pushkar Sakhalkar
Partner
Membership No.160411
Place: Mumbai
Date: June 13, 2025

Tarang R. Desai Director (DIN: 10490521) Place: Mumbai	Joydeep Bhattacharjee Director & CEO (DIN: 02813496) Place: Nashik
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Amit Aeron Chief Financial Officer Place: Nashik Date: June 13, 2025	Aakash Landge Company Secretary (ACS: 51295) Place: Nashik
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JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

1. Background

JSW JFE Electrical Steel Nashik Private Limited (formerly thyssenkrupp Electrical Steel India Private Limited (the “Company”) is a wholly owned subsidiary of Jsquare Electrical Steel Nashik Private Limited (JSquare) and incorporated as a private limited Company in India having its registered office & plant in Nashik. The Company manufactures cold rolled grain oriented electrical steel and sells in Indian & International market.

2. Material Accounting policies

I. Statement of Compliance

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 financial statement.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, 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 June 13, 2025.

II. Basis of preparation and presentation

The 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 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 realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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.

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

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

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 realised 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 realised 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. 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 12 months as its operating cycle.

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

III. Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency exchange differences are generally recognised in profit or loss, except foreign currency exchange differences arising from the translation of the following items which are recognised in OCI - an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);

IV. Segment Reporting

Operating Segments are reported in a manner consistent with the accounting policies and internal reporting provided to the chief operating decision maker. The board of directors of the Company is identified as the chief operating decision maker (refer note 36).

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

V. Revenue from contracts with customers (including sale of scrap)

Revenue from contract with customers is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for turnover/product/prompt payment discounts (variable consideration) to customer as specified in the contract with the customers. Transaction price is also adjusted for the effect of time value of money if the contract includes significant financing component. Revenue also excludes taxes collected from customers.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Income from export incentives such as duty drawback is accrued upon completion of export when there is a reasonable certainty of fulfilment of obligations as stipulated under respective export promotion schemes.

VI. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

or convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits are considered, based on the business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the entity, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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 recognised 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 recognised as expense over the lease term on the same basis as lease income.

VIII. Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax 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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less cost of disposal. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis. An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any Indication that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised. An impairment loss on goodwill is not subsequently reversed.

IX. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

X. Inventories

Inventories are stated at the lower of cost 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 realisable 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.

XI. Financial Instrument

Recognition:

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

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial instruments are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial measurement

Financial instruments are initially recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in the statement of profit and loss. Subsequently, financial instruments are measured according to the category in which they are classified.

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

Classification and measurement - financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets are classified into three categories

Financial assets at amortised cost: Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

Equity investments at fair value through other comprehensive income (Equity instruments): These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognised in the statement of Profit and Loss when the right to receive payment has been established. When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

Financial assets at fair value through other comprehensive income (Debt instruments): Financial assets having contractual terms that give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows as well as to sell the financial asset, are classified in this category. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss.

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

Classification and measurement - financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial guarantee contracts: These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognised less, the cumulative amount of income recognised.

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

Other financial liabilities: These are measured at amortised cost using the effective interest method.

a. Equity instruments:

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

b. Determination of fair value:

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.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received).

In estimating the fair value of an asset or liability, the Company takes into 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.

Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation methods.

c. Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired. The Company considers various factors like shelf life, ageing of inventory, product discontinuation, 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.

d. Impairment of financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets.

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

The Company recognises loss allowances for ECLs on finance lease receivables, which are disclosed as financial assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and finance lease receivables, loans and contract assets are always measured at an amount equal to lifetime ECLs

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held);

e. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

XII. Property, plant and 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 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.

JSW JFE Electrical Steel Nashik Private Limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to financial statements for the year ended March 31, 2025

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 (upto years)
Factory Building	30 Year
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/upto 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, in 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. Investment Property

Recognition and measurement

Investment properties are properties held to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business, use in provision of services or for administrative purposes. Investment properties are measured initially at their cost of acquisition, including transaction costs. The cost comprises purchase price, borrowing cost, if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

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Subsequent expenditure

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. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation

Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets as follows:

Particulars	Useful lives estimated by the management (upto years)
Factory building	30 years

Derecognition

Investment properties are de-recognised either when they have been disposed of 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 recognised in the statement profit or loss in the period of de-recognition. In determining the amount of consideration from the derecognition of investment properties the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Reclassification

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

The fair values of investment property is disclosed in Note 4(b).

XIV. 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 recognised for any initial or subsequent write down of the asset to the fair value less cost to dispose off. A gain is recognised 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 recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

XV. Intangible assets:

Computer Software

Computer software's are shown at historical cost and are subsequently carried at cost less accumulated amortization and impairment losses.

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Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other expenses are charged to profit or loss during the reporting period in which they are incurred.

Amortisation methods and periods

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. The estimated useful lives of intangible assets are as follows:

Particulars	Useful lives estimated by the management (upto years)
Computer Software	3 years

XVI.Provisions and Contingent Liabilities

Provisions for legal claims and other provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provision and contingent liabilities are reviewed at each balance sheet.

XVII. Employee benefits

Short-term obligations

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

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

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Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation result is a potential asset for the Company, the recognised asset is limited to the present value of economic benefit available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of the plan are changed or when plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognizes gain and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefit

The Company's liability in respect of other long-term employee benefits (compensated absences) is the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

XVIII. Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income such as export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

Government grants relating to the purchase of property, plant and equipment are recognised in books by deducting the grant from the carrying amount of the asset.

Grants that compensate the Company for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Income from export incentives such as duty drawback is accrued upon completion of export when there is a reasonable certainty of fulfilment of obligations as stipulated under respective export promotion schemes.

XIX. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period

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of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

XX. Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

XXI. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

XXII. Cash flow statement

Cash flow from operations are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. For the purpose of cash flow statement bank overdraft that are repayable on demand are considered as cash and cash equivalent as it form an integral part of the Company's cash management.

3A. 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 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.

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 increase 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

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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 (refer note 27).

Contingencies

The Company has received various orders and notices from tax authorities in respect of direct taxes, indirect taxes and other applicable laws. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and provides for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable es

timate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate. (refer note 31 (a)).

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 (refer note 14).

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 (refer note 6).

3B. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no standards that have been issued but not yet effective.

3C. Application of new and amended standards

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

Their adoption has not had any significant impact on the amounts reported in the financial statements.

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(All amounts in INR Crores, unless otherwise stated)

4(a) Property, plant and equipment and Capital work- in-progress

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Office equipment's	Computers	Total	Capital work In Progress
Cost/deemed cost									
At March 31, 2023	6.98	37.62	223.49	1.56	1.11	0.52	6.78	278.06	6.41
Additions	-	0.32	19.87	-	0.22	0.02	5.05	25.48	48.73
Deductions	(0.01)	-	(6.92)	-	(0.06)	-	-	(6.98)	(25.88)
At March 31, 2024	6.97	37.94	236.44	1.56	1.27	0.53	11.83	296.55	29.27
Additions	0.03	2.80	45.74	0.03	-	0.00	0.07	48.67	42.95
Deductions	-	-	(2.16)	-	(0.26)	-	-	(2.41)	(59.44)
At March 31, 2025	7.01	40.73	280.03	1.59	1.02	0.53	11.90	342.82	12.77
Accumulated depreciation									
At March 31, 2023	-	14.99	129.71	0.11	0.30	0.36	1.82	147.28	-
Depreciation	-	2.22	28.22	0.00	0.24	0.05	1.66	32.40	-
Deductions	-	-	(6.92)	-	(0.06)	-	-	(6.98)	-
At March 31, 2024	-	17.21	151.02	0.11	0.48	0.41	3.48	172.70	-
Depreciation	-	2.29	31.02	0.03	0.24	0.03	1.91	35.53	-
Deductions	-	-	(2.16)	-	(0.26)	-	-	(2.41)	-
At March 31, 2025	-	19.50	179.88	0.15	0.47	0.44	5.38	205.81	-
Net book Value									
At March 31, 2025	7.01	21.24	100.15	1.44	0.55	0.09	6.52	137.00	12.77
At March 31, 2024	6.97	20.73	85.43	1.45	0.79	0.13	8.35	123.85	29.27

Note :-

(i) The Company has hypothecated all property, plant and equipment except freehold land and buildings to trustees of parent Company lenders. (refer note 31(b))

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

(iii) The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(iv) Refer Note 32 for disclosure of contractual commitments for the acquisition of property, plant & equipment's.

(v) Pursuant to the change in the name of the Company from thyssenkrupp Electrical Steel GmbH to JSW JFE Electrical Steel Nashik Private Limited, the immovable assets are in the process of being registered in the new name.

(vi) During the current year the Company has paid additional stamp duty amounting to INR 8.84 Crores under Maharashtra government amnesty scheme on business acquired through slump sale in the year 2000. Out of the same, stamp duty pertaining to property plant and equipment amounting to INR 5.5 Crores has been capitalised and depreciated over the remaining useful life of the assets.

(vii) The Company in May 2022 has leased land parcels aggregating to 37,190 square meters at nominal rentals of INR 100 per annum to Maharashtra State Electrical Transmission Company Ltd (MSETCL). This lease agreement is valid until May 2027, with provision for further renewal.

Aging of capital work-in-progress as at March 31, 2025

	Amounts in capital work-in-progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP ageing schedule as at March 31, 2025					
(i) Project in progress					
a) Roll bearings for Mill	4.24	-	-	-	4.24
b) Others	8.42	-	-	0.11	8.53
(ii) Project temporarily suspended					-
	12.66	-	-	0.11	12.77
CWIP ageing schedule as at March 31, 2024					
(i) Project in progress					
a) Roll bearings for Mill	-	2.54	-	-	2.54
b) WLAN controller access point	8.66	-	-	-	8.66
c) Others	17.19	0.82	0.05	0.01	18.07
(ii) Project temporarily suspended					-
	25.85	3.36	0.05	0.01	29.27

Note:- (i) There are no projects which are overdue or have exceeded their costs as compared to original plans as on March 31, 2025 and March 31, 2024.

4(b) Investment property

Particulars	As at March 31, 2025	As at March 31, 2024
	Land	Land
Gross carrying amount		
Opening gross carrying value	0.34	0.34
Additions	-	-
Closing gross carrying amount	0.34	0.34
Accumulated depreciation	-	-
Net carrying amount	0.34	0.34

i) Amounts recognised in statement of profit and loss for investment property

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income	0.92	0.84
Direct operating expenses	-	-
Profit from investment properties before deprecation	0.92	0.84
Depreciation	-	-
Profit from investment properties	0.92	0.84

ii) Fair value

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Investment properties	12.48	8.50

The fair value for investment property is estimated by considering the prevailing market prices of subject properties.

iii) Leasing arrangements

The investment property aggregating to 24,768 square meters, is leased to a tenant under operating lease for the period upto August 31, 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:

	Year ended March 31, 2025	Year ended March 31, 2024
Within 1 year	1.00	0.93
Between 1 and 2 years	1.08	1.00
Between 2 and 3 years	1.16	1.08
Later than 3 years	1.24	1.16

4(C) Other intangible assets

Particulars	Software
Cost/deemed cost	
At April 01, 2023	3.26
Additions	0.40
At March 31, 2024	3.66
Additions	0.39
At March 31, 2025	4.05
Accumulated amortisation	
At April 01, 2023	3.04
Amortization	0.22
At March 31, 2024	3.26
Amortization	0.30
At March 31, 2025	3.56
Net book value	
At March 31, 2025	0.49
At March 31, 2024	0.40

5(a)	Other non-current financial assets	As at March 31, 2025	As at March 31, 2024
	Unsecured, considered good		
	Term deposit with banks having remaining maturity of more than 12 months	0.51	0.44
	Security deposits	0.18	0.15
		0.68	0.59
5 (b)	Other current financial assets	As at March 31, 2025	As at March 31, 2024
	Unsecured, considered good		
	Security deposits	0.01	0.01
	Other receivable	1.21	-
		1.22	0.01
6	Deferred tax asset (net)	As at March 31, 2025	As at March 31, 2024
	Deferred tax asset (net)	27.03	22.07
		27.03	22.07

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

Particulars	Balance as at March 31, 2024	Recognised in profit and loss during the year	Recognised in OCI during the year	Other equity (refer note 31 (b))	Balance as at March 31, 2025
Statement of Profit and Loss					
Property plant and equipments, intangible assets and investment property	5.35	(0.06)	-	-	5.29
Provision for employee benefit	10.42	0.76	0.46	-	11.65
Other provisions	1.04	(0.03)	-	-	1.01
Section 40(a) disallowance	1.10	(0.02)	-	-	1.08
Town Planing Liability	-	-	-	-	-
Corporate mark fee	4.25	(4.25)	-	-	-
Derivatives	(0.09)	0.32	-	-	0.23
Deferred guarantee commission	-	(0.07)	-	7.86	7.79
Provision for Stamp duty	-	-	-	-	-
Total credited/ (charged) to statement of profit and loss	22.07	(3.35)	0.46	7.86	27.03

Movement in deferred tax balances for the year ended March 31, 2024

Particulars	Balance as at March 31, 2023	Recognised in profit and loss during the year	Recognised in OCI during the year	Other equity	Balance as at March 31, 2024
Property plant and equipments, intangible assets and investment property	4.67	0.68	-	-	5.35
Provision for employee benefit	9.38	1.00	0.03	-	10.42
Other provisions	(0.03)	1.06	-	-	1.04
Section 40a disallowance	-	1.10	-	-	1.10
Town planing liability	4.44	(4.44)	-	-	-
Corporate mark fee	0.01	4.24	-	-	4.25
Derivatives	-	(0.09)	-	-	(0.09)
Section 94B finance cost	0.76	(0.76)	-	-	-
Provision for stamp duty	2.78	(2.78)	-	-	-
Provision for sales quality compensation	2.28	(2.28)	-	-	-
Total credited/ (charged) to statement of profit and loss	24.30	(2.27)	0.03	-	22.07

7	Other non-current assets	As at March 31, 2025	As at March 31, 2024
	Unsecured, considered good		
	Capital advances	0.60	1.81
	Balances with government authorities (refer note below)	5.83	5.83
	Prepaid expenses	0.55	0.73
		6.98	8.36

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

8	Inventories (cost or net realisable value, whichever is lower)	As at March 31, 2025	As at March 31, 2024
	Raw materials [includes goods in transit INR 149.27 Crores (PY: INR 148.96 Crores)]	364.04	199.57
	Stores and spares	13.05	14.21
	Work-in-progress	145.10	135.62
	Finished goods [included goods in transit INR 6.27 Crores (PY: INR 16.21 Crores)]	82.52	131.55
	Traded goods [included goods in transit INR 2.34 Crores (PY: INR 9.47 Crores)]	29.10	17.01
		633.81	497.96

(i) During the year, the Company has recorded provision for obsolescence amounting to INR 2.17 Crores (PY- INR 2.03 Crores)

(ii) Inventories have been hypothecated to trustees of parent company lenders.(refer note 34)

9(a)	Trade receivables	As at March 31, 2025	As at March 31, 2024
	Trade receivables from contract with customers	198.84	129.26
	Less: Loss allowance	(1.92)	(1.96)
		196.91	127.30
	Break-up of security details	As at March 31, 2025	As at March 31, 2024
	Trade receivables considered good - secured*	188.84	124.28
	Trade receivables considered good - unsecured	10.00	4.93
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	0.00	0.04
	Total	198.84	129.26
	Less: Loss allowance for expected credit loss	(1.92)	(1.96)
	Total trade receivables	196.91	127.30

*Trade receivable are secured by letter of credits received from customers.

The trade receivables ageing schedule for the years ended as on March 31, 2025 and March 31, 2024 are as follows:

As at March 31, 2025

	Not Due	Outstanding for following periods from the due date year ended As at March 31, 2025					
		Less than 6 Month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	196.65	0.24	0.02	-	-	-	196.91
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	0.00	-	1.92	-	-	1.92
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance for expected credit loss	-	(0.00)	-	(1.92)	-	-	(1.92)
Total	196.65	0.24	0.02	-	-	-	196.91

As at March 31, 2024

	Not Due	Outstanding for following periods from the due date year ended As at March 31, 2024					
		Less than 6 Month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	123.60	3.69	-	-	-	-	127.30
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	0.04	1.92	-	-	-	1.96
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance for expected credit loss	-	(0.04)	(1.92)	-	-	-	(1.96)
Total	123.60	3.70	-	-	-	-	127.30

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

(ii) Before accepting any new customer, the 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 receivables have been hypothecated to trustees of parent Company lenders. (refer note 31 (b))

(iv) Credit risk management regarding trade receivables has been described in note 29.

(v) Trade receivables from related parties' details has been described in note 34.

(vi) Trade receivables does not include any receivables from directors and officers of the Company.

9(b)	Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
	Balance with banks		
	In current account	29.91	14.91
	Deposits with maturity of less than 3 months at inception (refer note below)	143.44	71.90
	Interest accrued on deposits	0.65	0.18
	Cash on hand	0.00	0.00
		174.00	86.99

Deposits amounting to INR 13.79 Crores has been provided as security towards bank guarantee issued for electricity connection.

9(c)	Bank balance other than cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
	Earmarked balances in current accounts In current account (refer note below)	2.41	0.47
		2.41	0.47

Earmarked bank balances are restricted in use and relate to corporate social responsibility (CSR) activities related balances.

10	Other current assets	As at March 31, 2025	As at March 31, 2024
	Unsecured, considered good		
	Balances with government authorities	7.01	17.37
	Advances to suppliers	0.60	2.89
	Prepaid expenses	2.52	2.25
	Advances to employees	0.07	0.04
	Export incentives receivable	-	0.07
	Other receivables	0.01	0.01
		10.21	22.64

11	Assets classified as held for sale	As at March 31, 2025	As at March 31, 2024
	Freehold land (refer note below)	0.14	0.14
		0.14	0.14

The Board of directors of the Company, approved the sale of piece 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 Company claiming the ownership of the land sold. The matter is under dispute and the management expects favourable outcome. The Company as well as the buyer are committed to the sale of land and continue to disclose it as asset held for sale. The Company has received INR 0.22 Crores as advance towards sale of land which has been classified as Liabilities directly associated with asset classified as held for sale.

Land has been measured at lower of carrying amount and fair value less cost to dispose off. No write down is required to be recognised as fair value less cost to dispose off of land is higher than carrying amount. The fair value of land has been determined using the sales comparison approach.

12	Equity share capital	No. of shares	Amount
a	Authorised equity share capital		
	As at April 1, 2023	44,00,00,000	440.00
	Increased during the year	-	-
	As at March 31, 2024	44,00,00,000	440.00
	Increased during the year	-	-
	As at March 31, 2025	44,00,00,000	440.00

b Issued, subscribed and paid up equity share capital, fully paid

	Equity share capital	No. of shares	Amount
	As at April 1, 2023	41,49,34,900	414.93
	Changes during the year	-	-
	As at March 31, 2024	41,49,34,900	414.93
	Changes during the year	-	-
	As at March 31, 2025	41,49,34,900	414.93

c Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d Details of shares held by the holding Company and shareholders holding more than 5% of the aggregate shares in the Company

Equity share	As at March 31, 2025	As at March 31, 2024
Jsquare Electrical Steel Nashik Private Limited and its nominee		
No. of shares held	41,49,34,900	
% of Shareholding	100.00%	
thyssenkrupp Electrical Steel GmbH		
No. of shares held		41,49,34,880
% of Shareholding		99.99%

e Details of shares held by Promoters

	As at March 31, 2025	As at March 31, 2024
Jsquare Electrical Steel Nashik Private Limited and its nominee		
No. of shares held	41,49,34,900	-
% of Shareholding	100.00%	-
thyssenkrupp Electrical Steel GmbH		
No. of shares held	-	41,49,34,880
% of Shareholding	-	99.99%
thyssenkrupp Electrical Steel UGO S.A.S.		
No. of shares held	-	20
% of Shareholding	-	0.01%

g There were no shares issued for consideration other than cash in the current year and previous year.

12(a) Other equity	As at March 31, 2025	As at March 31, 2024
Retained earnings	515.64	398.63
Retained earnings	515.64	398.63
	As at March 31, 2025	As at March 31, 2024
Opening balance	398.63	201.90
Net profit for the year	141.74	196.83
Other comprehensive income for the year:		
Remeasurement of post employment benefit obligation (net of tax)	(1.37)	(0.10)
Deemed capital distribution to Holding Company (net of tax)	(23.36)	-
Closing balance	515.64	398.63

Nature and purpose

(i) 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.

(ii) The Company has given guarantee to the trustees of parent Company lenders in relation to the non convertible debentures amounting to INR 2,600 Crores. As per the terms of the guarantee agreement, the Company cannot charge commission for issuance of Guarantee and accordingly the commission is treated as a deemed capital distribution to holding Company.

13 Other non current financial liabilities	As at March 31, 2025	As at March 31, 2024
Deferred guarantee commission	19.13	-
	19.13	-

14 (a) Non-current provisions	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity (refer note 27)	19.64	19.69
	19.64	19.69

14 (b) Current provisions	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity (refer note 27)	9.90	7.16
Compensated absences (refer note 27)	10.11	9.15
Other provisions:		
Provision for compounding charges #	5.89	26.81
	25.91	43.11

Provision for Compounding Charges

During previous year 2021-22, a notice from Nashik Tehsildar Office (revenue officer) was received by the Company, requiring it to submit the copy of permissions obtained for buildings and other structures constructed on the land, as per the requirement of the Maharashtra Regional Town Planning Act, 1966 (MRTPA). The Company submitted certain documents/ approvals, which it believed demonstrate implied approval by the authority. Parallely the Company made a provision for the estimated compounding charges of INR 26.81 crores covering expenses for regularization of construction and approval from NMRDA. During previous year Government issued amnesty scheme (G/R MRD 3324 3324/P.No.48/Navi-7) dated 15.03.2024 for compounding the offence. The application under the said scheme was submitted in April 2024, along with land scrutiny charges. Subsequently, NMRDA vide their letter dated 13.06.2024, advised the Company to pay the Development Cess and Compounding charges amounting to INR 16.56 crores which the Company paid off. NMRDA has issued Commencement Certificate in favour of the Company, specifying certain terms & conditions to be fulfilled like getting Occupation Certificate from NMRDA, Non- Agricultural Order from the District Collector etc. The Company is in the process of obtaining the same. As at March 31, 2025, the Company has carried a provision of INR 5.89 crores which is management's best estimate of the probable additional cash outflow to settle this obligation.

	As at March 31, 2025	As at March 31, 2024
Movement in other provisions		
Movement in provision for stamp duty claim against the Company		
Balance at the beginning of the year	-	11.05
Additional provision recognised	-	-
Utilised during the year	-	-
Provision write back	-	(11.05)
Balance at the end of the year	-	-
Movement in provision for compounding charges		
Balance at the beginning of the year	26.81	37.04
Additional provision recognised	-	-
Utilised during the year	(20.92)	-
Provision write back	-	(10.24)
Balance at the end of the year	5.89	26.81

15	Trade payables	As at March 31, 2025	As at March 31, 2024
	Trade payables: micro and small enterprises (refer note 35)	0.98	2.04
	Trade payables: other than micro and small enterprises		
	(i) Trade payables to related parties (refer note 34(b))	-	17.19
	(ii) Others	171.03	19.83
		172.01	39.06

The trade payables ageing schedule for the years ended as on March 31, 2025 and March 31, 2024 are as follows:

As at March 31, 2025

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6-12 Months	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables								
Micro enterprises and small enterprises	-	0.70	0.12	0.00	0.07	0.07	0.02	0.98
Trade payables to related parties	-	-	-	-	-	-	-	-
Others	13.89	155.04	1.45	0.37	0.09	0.06	0.13	171.03
Disputed trade payables								
Micro enterprises and small enterprises	-	-	-	-	-	-	-	-
Trade payables to related parties	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	13.89	155.74	1.57	0.37	0.16	0.13	0.15	172.01

As at March 31, 2024

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6-12 Months	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables								
Micro enterprises and small enterprises	-	1.16	0.85	-	0.02	-	-	2.03
Trade payables to related parties	16.96	-	0.03	0.20	-	-	-	17.19
Others	13.29	3.46	2.35	0.18	0.18	0.03	0.34	19.83
Disputed trade payables	-	-	-	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-	-	0.01	0.01
Trade payables to related parties	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	30.26	4.62	3.23	0.38	0.19	0.03	0.35	39.06

Trade payables are normally settled within 90 days.

16	Other current financial liabilities (at amortised cost)	As at March 31, 2025	As at March 31, 2024
	Security deposits (unsecured)	0.59	0.59
	Employee benefits payable	12.39	9.84
	Derivatives-forward contracts	0.90	0.35
	Deferred guarantee commission	11.80	-
	Corporate social responsibility payable	2.41	0.47
		28.10	11.25

17	Other current liabilities	As at March 31, 2025	As at March 31, 2024
	Statutory dues including provident fund and tax deducted at source	1.83	1.16
	Advance from customers	4.85	2.57
	Other payables	0.68	0.77
		7.37	4.50

18	Liabilities directly associated with asset classified as held for sale	As at March 31, 2025	As at March 31, 2024
	Advance received towards sale of fixed assets (refer footnote to note 11)	0.22	0.22
		0.22	0.22

19	Revenue from operations	For the year ended March 31, 2025	For the year ended March 31, 2024
	- Sale of products		
	Domestic turnover	1,101.39	977.33
	Export turnover	48.25	182.89
	- Traded goods	69.77	38.95
	Other operating revenue		
	- Scrap sales	95.48	69.35
	Export incentive	0.41	2.85
	Total revenue from operations	1,315.30	1,271.37

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.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customer - Sale of products	1,219.41	1,199.17
Other operating revenue	95.89	72.20
Total revenue from operations	1,315.30	1,271.37
India	1,267.05	1,088.48
Outside India	48.25	182.89
Total revenue from operations	1,315.30	1,271.37
Timing of revenue recognition		
At a point in time	1,315.30	1,271.37
Total revenue from operations	1,315.30	1,271.37

b) Details of contract balances

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

	For the year ended March 31, 2025	For the year ended March 31, 2024
Trade receivable (refer note 9 (a))	196.91	127.30
Advance from customers (refer note 17)	4.85	2.57

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

(ii) As at March 31, 2025 INR 1.92 Crores (March 31, 2024 : INR 1.96 Crores) 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.

(iv) Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year INR 2.57 Crores (March 31, 2024: INR 15.88 Crores).

(v) Out of the total contract liabilities outstanding as on March 31, 2025, INR 4.85 Crores (March 31, 2024: INR 2.57 Crores) will be recognised by March 31, 2025.

20	Other income	For the year ended March 31, 2025	For the year ended March 31, 2024
	Interest income from fixed deposits	6.04	5.20
	Gain on foreign transaction and translations (net)	-	12.80
	Rental income (refer note 4(b))	0.92	0.84
	Deferred commission income	0.28	-
	Net profit on sale of property plant and equipment	0.71	1.19
	Liabilities written back to the extent no longer required	0.26	21.37
	Scrap sales	1.74	1.81
	Miscellaneous income	0.66	1.00
		10.61	44.19

21	Cost of material consumed	For the year ended March 31, 2025	For the year ended March 31, 2024
	Raw material at the beginning of the year	199.57	323.35
	Add: Purchases during the year	854.06	554.48
	Less: Raw material at the end of the year	364.04	199.57
		689.59	678.27

21(a)	Changes in inventories of finished goods, stock in trade & work-in progress	For the year ended March 31, 2025	For the year ended March 31, 2024
	Opening stock (A)	284.18	281.67
	Work-In-progress	135.62	131.51
	Finished goods	131.55	150.16
	Traded goods	17.01	-
	Closing stock (B)	256.72	284.18
	Work-In-progress	145.10	135.62
	Finished goods	82.52	131.55
	Traded goods	29.10	17.01
		27.45	(2.51)
	C= (A-B)	27.45	(2.51)

22	Employee benefit expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
	Salaries, wages and bonus	52.99	47.97
	Gratuity (refer note 27)	2.84	2.76
	Contribution to provident fund & other fund (refer note 27)	5.17	4.62
	Staff welfare expenses	3.52	3.93
		64.52	59.28

23	Depreciation and amortization expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
	Depreciation of property, plant and equipment (refer note 4(a))	35.53	32.40
	Amortisation of intangible assets (refer note 4(c))	0.30	0.22
		35.83	32.62

24	Other expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
	Consumption of stores and spare parts	48.35	51.48
	Power and fuel	116.68	108.89
	Repairs and maintenance related to		
	- Machinery	3.62	7.09
	- Building	4.77	5.56
	- Others	2.89	3.61
	Insurance	3.66	2.56
	Rates and taxes	0.94	0.96
	Sales commission	-	1.36
	Freight expenses	12.47	13.51
	Corporate social responsibility expenses (refer note 24 (b))	5.60	3.39
	Travelling and conveyance expenses	0.33	0.60
	Corporate mark fees	19.71	39.00
	IT service contract fees	1.71	0.40
	Legal and professional fees	1.78	1.35
	SAP & IT support charges	2.33	2.20
	License, testing and certification fees	0.93	0.89
	Payment to auditors (refer note 24 (a))	0.26	0.26
	Fair value changes on derivatives not designated as hedges	0.55	0.45
	Loss on foreign currency transactions and translation	11.15	-
	Miscellaneous expenses	8.42	6.07
		246.15	249.63

24 (a)	Details of payment to auditors	For the year ended March 31, 2025	For the year ended March 31, 2024
	As auditors		
	- Statutory audit	0.21	0.21
	- Tax audit	0.04	0.04
	- Reimbursement of expenses	0.01	0.01
		0.26	0.26

24 (b)	Details of corporate social responsibility expenditure	For the year ended March 31, 2025	For the year ended March 31, 2024
	(a) Amount required to be spent by the Company during the year	5.60	3.37
	(b) Amount approved by the Board to be spent during the year	5.60	3.40
	(c) Amount spent during the year		
	(i) Construction/ acquisition of any asset	-	-
	(ii) On purposes other than (i)	3.19	2.96

As per Sec 135(5) of Companies Act, 2013, amount required to be spent by the Company on CSR activities during the year was INR 5.60 Crores, out of which INR 3.19 Crores is actually expended & remaining INR 2.41 Crores pertains to ongoing projects was transferred to Unspent CSR account.
CSR expenditure has been incurred towards educational infrastructure and system strengthening.

25	Finance costs	For the year ended March 31, 2025	For the year ended March 31, 2024
	Other interest cost	0.01	0.51
		0.01	0.51

26 (i) Income tax expense

Components of income tax expense	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
- on profits for the year	43.40	56.60
- tax related to prior years	-	(16.54)
Deferred tax expense		
- recognised in statement of profit & loss account	3.35	2.27
- recognised in other comprehensive income	(0.46)	(0.03)
Total	46.28	42.29

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:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	188.50	239.16
Enacted tax rate in India	25.17%	25.17%
Expected Income tax expense at statutory tax rate	47.45	60.20
Expenses not deductible in determining taxable profit	1.41	3.75
Tax pertaining to compounding charges	(2.24)	(5.23)
Others	(0.34)	0.12
Tax expense for the year	46.28	42.29
Effective income tax rate	24.55%	17.68%

Wherever the Company has a present obligation and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation, such amounts have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 31)

27 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 year

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to employees provident fund	3.43	2.92
Superannuation fund	1.74	1.71
Total	5.17	4.62

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 year are as follows:

Particulars	Amount
As at March 31, 2023	24.64
Current service cost	1.11
Past service costs	-
Interest expenses/(income)	1.65
Total amount recognised in Profit and loss	2.76
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	0.15
Experience (gains)/losses	(0.02)
Total amount recognised in Other Comprehensive Income	0.14
Employer contribution	-
Mortality charges and taxes	-
Benefits payments	(0.68)
As at March 31, 2024	26.85
Current service cost	1.15
Past service costs	-
Interest expenses/(income)	1.69
Total amount recognised in Profit and loss	2.84
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	0.56
Experience (gains)/losses	1.28
Total amount recognised in Other Comprehensive Income	1.83
Employer contribution	-
Mortality charges and taxes	-
Benefits payments	(1.98)
As at March 31, 2025	29.54

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of un-funded obligation	29.54	26.85
Classification		
Non Current	19.64	19.69
Current	9.90	7.16

Significant estimates

The significant actuarial assumptions were as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate*	6.70%	7.25%
Salary escalation rate #	8.00%	8.00%
Withdrawal Rate:		
Age up to 30 years	21.00%	21.00%
Age 31-40 years	6.00%	6.00%
Age 41-50 years	1.00%	1.00%
Age above 50 years	17.00%	17.00%
Mortality Rate	IALM(2012-14)ult	IALM(2012-14)ult

*The discount rate is based on the prevailing market yields of Indian

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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 March 31, 2025	As at March 31, 2024
Discount rate increase by 0.50%	(0.51)	(0.50)
Discount rate decrease by 0.50%	0.53	0.52
Salary Escalation rate increase by 0.50%	0.48	0.48
Salary escalation rate decrease by 0.50%	(0.47)	(0.47)

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 (March 31, 2024: 3.77 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 March 31, 2025	As at March 31, 2024
Expected benefits for year 1	8.60	7.45
Expected benefits for year 2 to 5	18.57	16.60
Expected benefits for year 6 to 10	11.52	13.08

C. Leave Obligation

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations (Refer Note i)		
Current	2.87	2.88
	2.87	2.88

The leave obligations cover the Company's liability for earned leave which are classified as other long-term benefits.

The entire amount of the provision of INR 10.11 Crores (March,31 2024 – INR 9.15 Crores) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations not expected to be settled within the next 12 months	7.24	6.27

i. The leave obligations for cover the company's sick leave and privilege leave. The significant assumptions were as follows:-

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.70%	7.25%
Salary growth rate	8.00%	8.00%

28 Fair value measurements

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

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				
Financial instruments by category	As at March 31, 2025		As at March 31, 2024	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
<i>Financial assets</i>				
Trade receivables	-	196.91	-	127.30
Cash and cash equivalents	-	174.00	-	86.99
Bank balance other than cash and cash equivalents	-	2.41	-	0.47
Other financial assets	-	-	-	0.00
Total Financial assets	-	373.33	-	214.75
<i>Financial Liabilities</i>				
Other financial liabilities	-	0.59	-	0.59
Employee benefits payable	-	12.39	-	9.84
Derivative financial liabilities	0.90	-	0.35	-
Trade payables	-	172.01	-	39.06
Total financial liabilities	0.90	184.99	0.35	49.49

(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 March 31, 2025	As at March 31, 2024	Level	Valuation techniques and key inputs
As at 31 March 2025				
Financial liabilities				
Derivatives financial liabilities				
Foreign exchange forward contracts	0.90	0.35	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.

29 Financial risk management

Due to its business activities, the Company 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 Company'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 Company's finances within an agreed framework of documented authority. The Company 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.

(i) Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's trade receivables, security deposits and balances with banks.

(a.) Risk Management:

In case of credit or default risk associated with trade receivables, the Company 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 Company 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 Company 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 Company 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 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.

Trade Receivable:

To measure the expected credit losses, trade receivables have been grouped based days past due. The expected credit loss rates are based on the payment profiles of sales and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Loss allowance as at March 31, 2025 and March 31, 2024 was determined as follows for trade receivables under the simplified approach:

As at March 31, 2025

	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Month	6 months -1 years	1-2 years	2-3 years	More than 3 years	
Gross carrying amount – trade receivables	196.65	0.25	0.02	1.92	-	-	198.84
Expected loss rate		1.64%					
Expected credit losses– trade receivables	-	(0.00)	-	(1.92)	-	-	(1.92)
Carrying amount of contract assets (net of impairment)	196.65	0.24	0.02	-	-	-	196.91

As at March 31, 2024

	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Month	6 months -1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Gross carrying amount – trade receivables	123.60	3.74	1.92	-	-	-	129.27
Expected loss rate		1.15%					
Expected credit losses– trade receivables	-	(0.04)	(1.92)	-	-	-	(1.96)
Carrying amount of contract assets (net of impairment)	123.60	3.69	-	-	-	-	127.30

Security Deposit:

Credit risk on security deposit is negligible.

(ii) Liquidity risk

Liquidity risk is the risk that the Company 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 Company'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.

(a) Maturities of financial liabilities

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 Company's financial liabilities based on contractual undiscounted payments:

Contractual maturities Less than 1 year	As at March 31, 2025	As at March 31, 2024
Trade payables	172.01	39.06
Employee benefits payable	12.39	9.84
Security Deposits	0.59	0.59
Total financial liability	184.99	49.49

The amounts disclosed in the tables above are the contractual undiscounted cash flows.

(iii) Market risk

(i) Foreign currency risk

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 expressed in Crores INR, are as follows :-

	As at March 31, 2025				As at March 31, 2024			
	EUR	USD	GBP	JPY	EUR	USD	GBP	JPY
<i>Financial liabilities</i>								
Trade Payables	1.90	0.01	-	-	0.02	0.09	-	-
Derivatives-forward contracts	0.89	0.00	-	0.01	(115.68)	(1.19)	(0.01)	(0.30)
Net balance	2.79	0.01	-	0.01	(115.66)	(1.11)	-	(0.30)
<i>Financial Assets</i>								
Trade Receivables	-	-	-	-	-	21.17	-	-
Derivatives-forward contracts	-	-	-	-	-	(31.10)	-	-
Net balance	-	-	-	-	-	(9.93)	-	-
Net exposure to foreign currency risk (Assets)/liabilities	2.79	0.01	-	0.01	(115.66)	8.82	-	(0.30)

30 Capital Management

Risk management

The Company's objectives when managing capital are to:

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets.

31 (a) Contingent liabilities

Tax demands/ Other claims not acknowledged as debts	As at March 31, 2025	As at March 31, 2024
Service tax matters	0.91	0.91
Customs related matters	17.16	17.16
Central excise matters	4.38	4.38
Income tax matters	34.17	34.17
Other matters	0.88	1.10
Total	57.50	57.73

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.

(b) Financial guarantees

Jsquare Electrical Steel Nashik Private Limited ("Jsquare"), the holding company, has issued and allotted listed, redeemable and non-convertible debentures with face value of INR 1,00,000 (Indian Rupees One Lakh) each and aggregating up to INR 2600,00,00,000 (Indian Rupees Two Thousand and Six Hundred Crores only) ("Debentures") pursuant to and in accordance with a Debenture Trust Deed dated January 16, 2025 entered into between Jsquare and IDBI Trusteeship Services Limited (the Trustee) and the other Transaction Documents.

In consideration of the Debenture Holders agreeing to subscribe to or purchase the Debentures, the Company has provided an unconditional, irrevocable and continuing financial guarantee for INR 2600,00,00,000/- (Indian Rupees Two Thousand and Six Hundred Crores only) in favour of the Trustee for the benefit of Debenture Holders for the due and punctual discharge of the Debt obligation of Debentures. The Company has also hypothecated all property, plant and equipment (except freehold land and buildings) and all current assets in favour of the Trustee.

The Company has recognized a liability for deferred guarantee commission at fair value of INR 31.21 crores with a corresponding debit to equity (net of applicable deferred tax).

32 Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Commitments		
Estimated value of contracts in capital account remaining to be executed and not provided for (Net of advance)	174.86	16.40

Other commitments:

The Company in the normal course of business, has entered into a purchase agreement wherein, the Company has committed to purchase certain minimum quantities of raw material for each month until the end of the contract in April 2026.

33 Earnings per share

	As at March 31, 2025	As at March 31, 2024
Basic earnings per share		
(a) Profit attributable to equity shareholders of the Company	141.74	196.83
(b) Weighted average number of equity shares outstanding (No's in millions)	41.49	41.49
Basic/diluted earnings per share (Amount in INR)	3.42	4.74

Note: There are no potential equity shares, hence diluted EPS is not applicable to Company.

34 Related party transactions

a) List of related parties

Nature of Relationship	Name of Related Parties
Co-venturers of the ultimate holding Company	JSW Steel Limited JFE Steel Corporation
Ultimate holding Company	JSW JFE Electrical Steel Private Limited(w.e.f 30.01.2025) thyssenkrupp AG (upto 30.01.2025)
Intermediate holding Company	thyssenkrupp Steel Europe AG (upto 30.01.2025)
Immediate holding Company	Jsquare Electrical Steel Nashik Private Limited (w.e.f 30.01.2025) thyssenkrupp Electrical Steel GmbH (upto 30.01.2025)
Other related parties with whom transactions have taken place	thyssenkrupp Industrial Solutions (India) Private Limited (upto 30.01.2025) Rothe Erde India Private Limited (upto 30.01.2025) thyssenkrupp Industries India Private Limited (upto 30.01.2025) thyssenkrupp Electrical Steel UGO S.A.S.(upto 30.01.2025) thyssenkrupp India Private Limited (upto 30.01.2025) thyssenkrupp Japan K.K. (upto 30.01.2025)
Key Management Personnel	
Name	Designation
Mr. Gajraj Singh Rathore	Non-Executive Director & Chairman (w.e.f 30.01.2025)
Mr. Tarang Rajeshbhai Desai	Non-Executive Director (w.e.f 30.01.2025)
Mr. Takafumi Suzuki	Non-Executive Director(w.e.f 30.01.2025)
Mr. Toshiya Iwano	Non-Executive Director (w.e.f 30.01.2025)
Mr. Joydeep Bhattacharjee	Chief Executive Officer(w.e.f 30.01.2025)
Mr. Chandra Shekhar Mathur	Director (upto 30.01.2025)
Mr. Georgios Giovanakis	Director (upto 30.01.2025)
Dr. Markus Weber	Director (upto 30.01.2025)
Mr. Markus Zobel	Director (upto 30.01.2025)
Mr. Joydeep Bhattacharjee	Managing Director(upto 30.01.2025)
Mr. Amit Aeron	Chief Financial Officer
Mr. Aakash Landge	Company Secretary

b) Transactions with Related Parties

	Particulars	Volume of transactions during year ended		Amount outstanding as at			
		March 31, 2025	March 31, 2024	March 31, 2025		March 31, 2024	
				Receivable	Payable	Receivable	Payable
A)	Sale of Products						
	thyssenkrupp Electrical Steel GmbH	-	-	-	-	-	-
	Total of Sale of Products	-	-	-	-	-	-
A)	Purchases of Raw Material						
	thyssenkrupp Electrical Steel GmbH	641.53	542.40	-	-	-	-
	Purchases of Trading Material						
	thyssenkrupp Electrical Steel GmbH	63.74	55.34	-	-	-	-
	Purchases of Consumable Material						
	thyssenkrupp Japan K.K.	-	-	-	-	-	-
	thyssenkrupp Electrical Steel GmbH	0.03	0.03	-	-	-	0.03
	Expenses Incurred						
	thyssenkrupp India Private Limited (Common Corporate Expenses)	-	0.03	-	-	-	-
	thyssenkrupp AG (Corporate Mark Fees)	19.71	39.00	-	-	-	16.89
	thyssenkrupp Electrical Steel GmbH (IT Service Contract)	0.31	0.40	-	-	-	-
	thyssenkrupp Electrical Steel GmbH (SAP Support)	1.52	1.85	-	-	-	-
	thyssenkrupp Electrical Steel GmbH (License Fees)	0.37	0.38	-	-	-	-
	thyssenkrupp Singapore PTE Ltd ((Common Corporate Expenses)	0.15	0.07	-	-	-	0.07
	thyssenkrupp Steel Colombia S.A.S (Commission)	-	-	-	-	-	-
	Total of Purchases of Goods and Services	727.37	639.51	-	-	-	17.00

	Particulars	Volume of transactions during year ended		Amount outstanding as at			
		March 31, 2025	March 31, 2024	March 31, 2025		March 31, 2024	
				Receivable	Payable	Receivable	Payable
	Services Rendered						
	Rothe Erde India Private Limited (Services rendered)	-	-	-	-	-	-
	thyssenkrupp Industries India Private Limited (Services rendered)	-	-	-	-	-	-
	Rothe Erde India Private Limited (Advance Rent received)	-	-	-	0.44	-	0.32
	Rothe Erde India Private Limited (Rent received)	0.91	0.85	0.01	-	-	-
	Reimbursement of Expenses Received						
	Rothe Erde India Private Limited (Reimbursement of Expenses)	0.26	-	-	0.09	0.14	-
	thyssenkrupp Electrical Steel GmbH (Reimbursement of Expenses)	0.05	0.20	-	-	-	0.20
	Total of Services Rendered and Reimbursement of Expenses Received	1.22	1.05	0.01	0.53	0.14	0.51
B)	Guarantee provided by the Company (refer not 31 (b))						
	Jsquare Electrical Steel Nashik Private Limited	2,600.00	-	-	-	-	-
C)	Other Transactions						
	Rothe Erde India Private Limited (Advance against sale of asset)	-	-	-	0.22	-	0.22
	Total of Other Transactions	-	-	-	0.22	-	0.22
(D)	Key management personnel compensation excluding short term, long term and defined employment benefits						
	Mr.J. Bhattacharjee, Managing Director/CEO	1.72	1.87	-	-	-	-
	Mr.Amit Aeron, Chief Financial Officer	1.02	0.89	-	-	-	-
	Mr.A.S.Landge, Company Secretary	0.12	0.09	-	-	-	-
	Total compensation of Key Management Personnel	2.86	2.86	-	-	-	-

Note: All figures mentioned above are exclusive of taxes

Compensation to key management personnel:

Nature of Transactions							
short term employment benefits	0.01	0.01	-	-	-	-	-
Post employment benefits	-	-	-	-	-	-	-
Other long term benefits	1.00	0.68	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Shared based payments	-	-	-	-	-	-	-
	1.01	0.69	-	-	-	-	-

c Terms and conditions:

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are made on normal commercial terms and conditions and market rates.

35 Dues to micro and small suppliers

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:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.98	2.04
Interest due to micro and small suppliers registered under the MSMED Act and remaining unpaid as at year end*	0.00	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	27.93
Interest paid, other than under Section 16 of MSMED Act, to micro and small suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to micro and small suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	0.10
Interest accrued and remaining unpaid at the end of the year	0.00	0.10
Further interest remaining due and payable for earlier years until such date when the interest dues have been repaid under section 23 of MSMED Act	0.44	0.44

* Amount is below the rounding off norms

The information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such payables have been identified on the basis of information available with the Company.

36 Segment reporting

The Company has only one operating segment which is manufacturing of grain oriented steel. Accordingly, separate segment information is not required to be disclosed.

Geographical information:

	Year ended March 31, 2025	Year ended March 31, 2024
India	1,267.05	1,088.48
Outside India	48.25	182.89
Total segment revenue	1,315.30	1,271.37

All non-current assets are located within India.

The Company does not derive more than 10% of the total revenue from any single customer in the current year and in previous financial year.

The revenue is recognised at point in time.

37 a) Additional regulatory information required by Schedule III

(i) Details of benami property held

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

(ii) Borrowing secured against current assets

The Company has no borrowings from banks and financial Institutions on the basis of security of current assets. The quarterly statements of current assets are not required to be filed by the Company with banks.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or to any other lender during current & previous year.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 during current & previous year.

(v) Compliance with number of layers of companies

The Company has does not have any investments

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

- 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

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(xi) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4(a) to the standalone financial statements, are held in the name of the Company.

(xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) Loans or advances to specified person

There are no loans or advances given to specified person in the current and previous year.

b) Analytical Ratios

Ratios	Numerator	Denominator	Current period	Previous period	% Variance	Reason for Variance of more than 25%
(a) Current Ratio	Current assets	Current Liabilities	4.21	7.49	-44%	CA: 1. Increase in inventory; a strategic decision during transfer of ownership 2. Increase in receivables as few customer's credit terms shifted to LC, previously advance CL: 1. Payables days to thyssenkrupp increased post acquisition 2. Financial guarantee accounted for NCD taken by J-Square
(b) Debt-Equity Ratio	Total debt (Current+Non current Borrowing)	Total Shareholder's Equity	-	-	0%	N/A
(c) Debt Service Coverage Ratio	Net profit after tax + Non cash operating exp+Interest	Total Debt Service (current Borrowing+Current lease liability+ interest accrued	-	-	0%	N/A
(d) Return on Equity Ratio	Net profit after tax	Average Shareholder's Equity	0.16	0.28	-41%	1. See note (i) below 2. Increase in equity due to b/f reserve
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.40	1.31	6%	N/A
(f) Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	8.11	8.86	-8%	N/A
(g) Trade payables turnover ratio	Total purchases	Average Trade Payables	8.09	2.75	195%	1. Increase in purchase; a strategic decision during transfer of ownership; 2. Payables to thyssenkrupp shifted to 30 days credit, previously against documents presentation
(h) Net capital turnover ratio	Net Sales	Working Capital	1.69	1.99	-15%	N/A
(i) Net profit ratio	Net Profit after tax	Net Sales	0.11	0.15	-30%	1. Sales price dropped by 5% 2. PY one time gain on liab w/back. 3. Adverse fx movement during CY
(j) Return on Capital employed	EBIT	Capital employed= (Tangible net worth+total debts+ def tax Liab-Def tax Asset)	0.20	0.29	-31%	See (d) above
(k) Return on investment	Interest income	Average fixed deposits	0.06	0.04	39%	N/A

38 The Company has been maintaining its books of account wherein:

1. 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 year ended March 31, 2025, the 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.

2. 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 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 year 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 year 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.

JSW JFE Electrical Steel Nashik Private limited
(Formerly known as thyssenkrupp Electrical Steel India Private Limited)
Notes to the Financial Statements for the year ended as on March 31, 2025
(All amounts in INR Crores, unless otherwise stated)

39 Previous year's figures have been reclassified /regrouped wherever considered necessary to conform to current year's classification/disclosures.Cross referencing of the amounts to the notes would not match exactly as the numbers are in the decimals.

For S R B C & CO LLP
Chartered Accountants
Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
JSW JFE Electrical Steel Nashik Private limited
CIN:U27100MH2000PTC127807

per Pushkar Sakhalakar
Partner
Membership No.160411
Place: Mumbai
Date: June 13, 2025

Tarang R. Desai
Director
(DIN: 10490521)
Place: Mumbai

Joydeep Bhattacharjee
Director & CEO
(DIN: 02813496)
Place: Nashik

Amit Aeron
Chief Financial Officer
Place: Nashik

Date: June 13, 2025

Aakash Landge
Company Secretary
(ACS: 51295)
Place: Nashik