

Independent Auditor's Report

To the Members of Scan Steels Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Scan Steels Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended, (Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.



Sl.No.	Key audit Matter	Auditor's Response
1.	Application of Ind AS 115 "Revenue from Contract with Customers") involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Notes 1.5 and 1.7 to the Financial Statements.	Principal Audit Procedures Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: ▪ Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. ▪ Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. ▪ Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. ▪ Selected a sample of continuing and new contracts and performed the following procedures: (a) Read, analyzed and identified the distinct performance obligations in these contracts. (b) Compared these performance obligations with those identified and recorded by the Company. (c) Considered the terms of the contracts to determine the transaction including any variable consideration to verify the transaction price

		used to compute revenue and to test the basis of estimation of the variable consideration. (d) Sample in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. (e) In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested access and change to management controls relating to these systems. (f) Sample revenues disaggregated by type and service offering were tested with the performance obligations specified in the underlying contracts. ▪ Performed analytical procedures for the reasonableness of revenues disclosed by type of service offerings. ▪ Reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over the remaining performance obligations that will be satisfied subsequent to the balance sheet date.
2	Contingent Liabilities against litigation and claims	We have obtained an understanding of the company's internal instructions and procedures in respect of the estimation and disclosure of contingent liabilities



and adopted the following audit procedures:

- Understood and tested the design and operating effectiveness of control established by the management for obtaining all relevant information for pending litigation cases.
- Discussed with the management any material developments and latest status of legal matters.
- Read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed various substantive procedures on calculation supporting the disclosure of contingent liabilities.
- Examined management's judgment and assessment those matters that are not disclosed as the probability of material outflow is considered to be remote.
- Reviewed the adequacy and completeness of disclosures.

The above procedures ensure that the estimation and disclosure of contingent liabilities are adequate and reasonable.

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 Management Discussion and Analysis of Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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

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

Management's Responsibility 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



Other Matters

The Standalone Financial Statements of the Company for the year ended 31st March 2024 were audited by the previous statutory auditors of the Company and they had expressed an unmodified opinion on Standalone Financial Statements vide their report dated 11th May 2024. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

As required by Section 143(3) of the Act based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of section 197 read with Schedule V of the Act.



- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer **Note 26** to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. No dividend is declared or paid during the year and the previous year by the company. Hence compliance with Section 123 of the Companies Act is not applicable.



- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with

17th day of May, 2025
Bhubaneswar
UDIN:25316339BMJACX7197



For Das Pattnaik & Co
Chartered Accountants
Firm Regd. No-321097E



Debashis Pattnaik
Partner
M.No:- 316339

Annexure-A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanation provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment.
 - (b) The Company has maintained proper records showing full particulars of intangible assets.
 - (c) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (d) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date. excepting in the following cases: -
 - Freehold land of 7.68 Acres situated in Village Raiberna and Laing, Sundergarh, Odisha of which a valid registered title deed is in the name of M/s. Shristi Ispat Limited, the company which was merged into this company during 2005.
 - Land of 24.820 Acres occupied by the company is situated in Village-Kudithini, Bellary, Karnataka, on long term lease basis.
 - Land of 7.95 Acres occupied, by the company situated in Village-Raiberna and Laing, Sundergarh, Odisha, which is in the name of one of the relative of Key Managerial Personnel, on long term lease basis, subsequently registered title deed has been executed between the parties.



- Land area of Ac 5.000 dec and Ac 1.780 dec aggregating area Ac 6.780 dec occupied, by the company situated in Village-Laing & Rajgangpur, Sundergarh, Odisha, on long term lease basis. These lease deed has been executed between the Governor of Odisha represented by the Collector, Sundergarh and the company M/s Shristi Ispat Limited (subsequently merged in to this company during the year 2005).
- Land of 40.780 Acres occupied by the company situated in Village-Dhamakpur, Laing, Budhakata and Baibai on short-term lease basis.
- (e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed in the aforesaid verification between the physical stocks and book records were not material.
- b. The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions to meet the requirements of working capital. We report that:
 - The quarterly statements filed by the company are in consonance with the books of accounts of the company.
 - The statement of stock valuation is in compliance with the accounting standards.
 - Statement of ageing of the receivables and payables are in agreement with the books of accounts of the company.
- (iii) No such loan has been granted by the Company (secured/ unsecured loans) to companies/ firms/ limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly reporting under clause 3 (iii) is not applicable.
- (iv) The company has not granted loans or provided any guarantee or securities to parties covered under section 185 of the Act. However, the company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Hence, reporting under clause 3 (v) is not applicable.



(vi) We have reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) In respect of Statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025, on account of are given as below:

STATEMENT OF DISPUTED DUES

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount	Forum where dispute is pending
			(In Rs 'Lakhs')	
Custom Act 1962	Custom Duty	2012 & 2013	111.58	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
Central Sales Tax	CST	01-04-2007 to 31-03-2009	1.24	OST Tribunal, Cuttack
		01-04-2008 to 28-02-2011	3.18	OST Tribunal, Cuttack
		01-04-2012 to 31-03-2014	5.38	OST Tribunal, Cuttack
		30-01-2019 to 19-02-2020	3.56	OST Tribunal, Cuttack



Name of the Statute	Nature of Dues	Period to which the amount relates	Amount	Forum where dispute is pending
			(In Rs 'Lakhs')	
Odisha Sale Tax Act	OST	2001-2002	1.05	OST, Tribunal Cuttack
		2002-2003	11.00	OST, Tribunal Cuttack
		1999-2000	1.6	OST, Tribunal Cuttack
		2006-2007	20.85	OST, Tribunal Cuttack
Entry Tax	Entry Tax	01-04-2007 to 31-03-2009	0.67	OST, Tribunal Cuttack
		01-04-2008 to 28-02-2011	315.77	OST, Tribunal Cuttack
		01-04-2012 to 31-03-2014	18.74	OST, Tribunal Cuttack
		01-04-2005 to 31-03-2006	16.33	OST, Tribunal Cuttack
OVAT	OVAT	2006-2007	13.55	OST, Tribunal Cuttack
		01-04-2009 - 31-03-2011	1.98	OST, Tribunal Cuttack
		01-04-2008-28-02-2011	1499.34	OST, Tribunal Cuttack
		01-04-2016-30-06-2017	0.87	JCCT. Appeal, RKL
Income Tax	Income tax	2016-17	15.00	CIT (Appeal), Kolkata
		2014-15	13.11	CIT (Appeal), Kolkata
		2013-14	14.08	CIT (Appeal), Kolkata

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



(ix)

- a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted on the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) According to the information and explanations given to us and on the basis of our audit procedures, we report the Company has not been declared willful defaulter by any bank or financial institution or government, or any government authority.
 - c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained and there are no unutilized term loan at the closing of the year.
 - d) According to the information and explanations given to us and on the basis of our audit procedures and on an overall examination of the Standalone Financial Statements of the Company, we report that funds raised on short-term basis have not been used during the year for long term purposes by the company.
 - e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
 - f) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not raised loans during the year on pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year, the Company has converted 62.5 lakh Optionally Convertible Redeemable Preference Shares (OCRPS) into equity shares of ₹10 each, pursuant to the terms of issue. The conversion was carried out at an exchange ratio of 1:1, without any securities premium, and the equity shares issued carry voting rights equal to existing equity shareholders. In our opinion and according to the information and explanations given to us, the said conversion constitutes a preferential allotment of equity shares. The Company has complied with the provisions of Sections 42 and 62 of the Companies Act, 2013, to the extent applicable. The equity shares have been allotted in accordance with the terms of issue, and since the conversion did not involve any fresh inflow of funds, the question of application of funds does not arise.



(xi) Reporting under clause 3(xi) of the Order are as under:

- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistleblower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company. Hence reporting under the clause (xii) of the Order is not applicable.

(xiii) In our opinion, the company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) Reporting under clause 3(xiv) of the Order are as under:

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them. hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under the clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.



(xix) On the basis of financial ratio, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) As per the information provided to us and as per the verification of the documents, there are no unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For Das Pattnaik & Co
Chartered Accountants
Firm Regd. No-321097E



Debashis Pattnaik
Partner
M.No.316339

17th day of May, 2025
Bhubaneswar
UDIN: 25316339BMJACX7197



Annexure -B to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 over financial reporting of **Scan Steels Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the standalone 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, (the 'Standards') issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





DAS PATTNAIK & CO.

CHARTERED ACCOUNTANTS

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

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





DAS PATTNAIK & CO.
CHARTERED ACCOUNTANTS

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Das Pattnaik & Co
Chartered Accountants
Firm Regd. No-321097E

17th day of May, 2025
Bhubaneswar
UDIN: 25316339BMJACX7197




Debashis Pattnaik
Partner
M.No:- 316339

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road,
Opp Havmor Ice Cream, Vile Parle (East), Mumbai - 400057

Standalone Balance Sheet as at 31st March' 2025

Particulars	Notes	31st March'2025	31st March'2024
		INR 'Lakhs'	INR 'Lakhs'
I. ASSETS			
1. Non-Current Assets			
(a)Property, Plant and Equipments	2	26,354.95	27,925.21
(b)Capital work-in-progress	2	2,015.02	98.41
(c)Other Intangible Assets	2	0.77	1.10
(d)Financial Assets			
(i) Investments	3	2,085.03	2,556.86
(ii)Loans		-	-
(iii)Other Financial Assets	4	1,989.47	1,848.32
(e)Other non-current Assets	5(i)	2,476.29	2,299.77
(f)Deferred Tax Assets (Net)		-	-
2. Current Assets			
a.Inventories	7	16,760.69	17,555.93
b.Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	8	1,098.67	2,502.63
(iii) Cash & Bank balances	9	976.58	3,178.55
(iv) Other Financial Assets		-	-
c.Other Current Assets	5(ii)	3,627.83	2,530.33
TOTAL		57,385.30	60,497.11
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	10	5,860.23	5,235.23
b. Instruments entirely equity in nature		-	625.00
c. Other Equity	11	35,898.96	34,099.45
2. Non-Current Liabilities			
a.Financial Liabilities			
(i) Borrowings	12(i)	0.33	580.70
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
b.Provisions		-	-
c.Deferred Tax Liabilities (Net)	6	3,462.71	3,491.33
d.Other Non-Current Liabilities		-	-
3. Current Liabilities			
a.Financial Liabilities			
(i) Borrowings	12(ii)	6,192.24	11,311.05
(ii) Trade Payables	13		
a.Total Outstanding Dues of micro and small enterprises		32.29	11.72
b.Total Outstanding Dues of creditors other than micro and small enterprises		633.70	524.01
(iii) Other Financial Liabilities	14	2,163.72	2,632.89
b.Provisions		677.00	635.00
c.Other Current Liabilities	15	2,464.12	1,350.73
TOTAL		57,385.30	60,497.11

The accompanying notes form an integral part of the standalone financial statements

1 to 44

As per our report of even date attached

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Debashis Pattnaik
Partner
M.No.316339



17-May-2025
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited

Ankur Madaan
Director
DIN: - 07002199

Prabir Kumar Das
Company Secretary

Praveen Kumar Patro
Director
DIN: - 02469361

Kalyan Kiran Mishra
Chief Financial Officer

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road,
Opp. Havmor Ice Cream, Vile Parle (East), Mumbai - 400057**Standalone Statement of Profit and Loss 31st March' 2025**

Particulars	Notes	Year ended 31st March, 2025	Year ended 31st March, 2024
		INR 'Lakhs'	INR 'Lakhs'
Income			
I.Revenue from Operations	16	78,919.93	96,541.32
II.Other Incomes	17	460.89	201.73
III.Total Income		79,380.82	96,743.05
IV.Expenses			
(a)Cost of Raw Materials Consumed	18	49,728.36	64,385.85
(b)Purchases of Stock in Trade		633.49	12,578.86
(c)Change in Inventory (Increase) /Decrease	19	4,743.77	(3,933.10)
(d)Employee Benefit Expenses	20	3,746.82	3,110.98
(e)Finance Cost	21	818.55	998.70
(f)Depreciation and Amortization	2	1,569.37	1,540.20
(g)Other Expenses	22	15,531.67	15,645.92
Total Expenses		76,772.03	94,327.41
V.Profit Before exceptional and extra ordinary items and tax		2,608.79	2,415.64
Exceptional items		-	-
VI.Profit before extraordinary items and tax		2,608.79	2,415.64
VII.Extraordinary items		-	-
VIII.Share Of Profit/ (Loss) of Associates		-	-
VIII.Profit before Taxes		2,608.79	2,415.64
IX.Taxes Expenses			
(a)Current Tax		677.00	635.00
(b)Deferred Tax		(28.62)	(6.61)
(c) Income tax / Others for earlier years		(0.09)	14.24
Total Tax Expenses		648.29	642.63
X.Profit (Loss) for the Year		1,960.50	1,773.01
XI.Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss :			
(a) Changes in investments in equity shares carried at FVTOCI		(160.98)	224.80
(b) Income tax effect		-	(38.51)
(ii) Items that will be reclassified subsequently to profit or loss :			
(a) Re-measurement of defined employee benefit plans		-	-
(b) Fair Valuation of Commodity /Derivative instruments		-	-
(c) Income tax effect		-	-
XII.Total Other comprehensive Income after tax		(160.98)	186.29
XIII.Total comprehensive income for the period		1,799.52	1,959.30
XIV.Earnings per equity share:			
(1) Basic	24	3.35	3.39
(2) Diluted		3.35	3.37

The accompanying notes form an integral part of the standalone financial statements

1 to 44

As per our report of even date attached.

For Das Pattnaik & Co

Chartered Accountants

F. Regd. No.321097E

For and on behalf of the Board**Scan Steels Limited****Debashis Pattnaik****Partner**

M.No.316339

17-May-25

Bhubaneswar

**Ankur Madaan**Director
DIN: - 07002199**Prabir Kumar Das**
Company Secretary**Praveen Kumar Patro**Director
DIN: - 02469361**Kalyan Kiran Mishra**
Chief Financial Officer

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai – 400057

Audited Standalone Cash Flow Statement for the Year Ended 31st March, 2025**Accounting Policy**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effect 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.

		(Rupees in INR' Lakhs)	
	Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
(A)	Operating Activities		
	Profit before tax from continuing operations	2,608.79	2,415.63
	Profit/(loss) before tax from discontinuing operations	-	-
	Profit before tax	2,608.79	2,415.63
	Adjustments for		
	Depreciation and Amortisation	1,569.37	1,540.20
	Loss/(Gain) on Sale of Property, plant and equipment and Shares	7.79	(32.42)
	Interest Income	(139.21)	(130.40)
	Profit on sale of mutual Fund	(299.28)	(20.88)
	Loss on sale of Securities	-	-
	Interest Paid	818.55	998.70
	Allowance for Credit Loss (Exp)	8.22	3.59
	(Profit)/loss on Partnership firm	10.19	0.29
	Dividend Income	(0.42)	(0.27)
	Other Income	(21.98)	(17.76)
	<i>Operating profit / (loss) before working capital changes</i>	4,562.03	4,756.69
	Working capital adjustments:		
	Increase/(decrease) in Short-term Borrowings	(5,118.81)	4,020.13
	Increase/(decrease) in Trade payables	130.26	(1,037.61)
	Increase/(Decrease) in Other current financial liabilities	(469.18)	468.24
	Increase/(decrease) in Other current liabilities	1,113.39	365.90
	Decrease/(increase) in Current Investment	-	-
	Decrease/(increase) in Trade receivables	1,395.75	1,759.96
	Decrease/(increase) in Inventories	795.24	(1,687.89)
	Decrease/(increase) in Other current assets	(1,187.42)	(215.23)
	Cash generated from Operations	1,221.25	8,430.18
	Income taxes paid	(521.80)	(602.21)
	NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	699.45	7,827.97
(B)	Investing Activities		
	Purchase of property, plant and equipment	(1,926.56)	(1,281.79)
	Proceeds from Sale of Property, Plant and equipment	3.39	55.47
	Proceeds from Sale of Investment	1,121.57	195.81
	Purchase of Mutual Fund	(120.00)	(401.00)
	Purchase of Equity Shares	(402.84)	(843.39)
	Investment in Partnership Firm	-	-
	Interest received (finance income)	139.21	130.40
	Dividend received (finance income)	0.42	0.27
	Movement in Other Non-current financial assets	(141.15)	(204.73)
	Movement in Other Non-current assets	(176.52)	(290.01)
	NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	(1,502.49)	(2,638.96)
(C)	Financing Activities		
	Interest paid	(818.55)	(998.70)
	Proceeds / (Repayment) of Borrowings	(580.38)	(3,370.65)
	Proceeds / (Repayment) of Issue Of shares	-	1,402.59
	NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES (C)	(1,398.93)	(2,966.76)
	Net Foreign exchange difference	-	-
	Net increase (decrease) in cash and cash equivalents (A+B+C)	(2,201.97)	2,222.26
	Cash and cash equivalents at the beginning of the year	3,178.55	956.29
	Cash and cash equivalents at year end	976.58	3,178.55

The accompanying notes form an integral part of the Standalone financial statements
As per our report of even date attached.

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

For and on behalf of the Board
Scan Steels Limited

Debashis Pattnaik
Partner
M.No.316339

Ankur Madaan
Director
DIN: - 07002199

Praveen Kr. Patro
Director
DIN: - 02469361

17-May-25
Bhubaneswar



Prabir Kumar Das
Company Secretary

Kalyan Kiran Mishra
Chief Financial Officer

Note -1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

M/s Scan Steels Limited is a public limited company domiciled in Maharashtra, India. The company has its listings on the BSE Limited in India. The company is engaged in manufacturing of steel products and in generation of power for captive consumption.

1.2 Basis of Preparation

(i) Compliance with Ind AS :

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention :

The financial statements have been prepared and presented on accrual basis and under the historical cost convention, except for the following:

- a) certain financial assets and liabilities and contingent consideration that is measured at fair value;
- b) Assets held for sale – measured at fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value; and share-based payments.

As the year end figures taken from the source and rounded to nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

1.3 Use of Estimates :

(i) The preparation of the financial statements are in conformity with Indian Accounting Standards (Ind AS) that requires management to make judgment estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the end of the reporting period.

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

(iii) Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact and that are believed to be reasonable under the circumstances.

1.4 Property, Plant and Equipment, Intangible Assets and Capital Work-in-Progress

i. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) The whole of the finance charges paid on assets acquired under Hire Purchase Scheme are considered as “Unmatured finance charges” under the head “Other Current Assets” in the Balance sheet. Subsequently, at the end of the year the portion of finance charges is transferred to profit & loss account on the basis of the number of instalments due during the year.



ii Depreciation methods, Estimated useful lives and Residual value

- a) Depreciation is provided on the straight line method applying the useful lives as prescribed in part C of Schedule II to the Companies Act, 2013.
- b) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets.
- c) 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.
- d) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

iii. Intangible Assets :

- a) Intangible assets are recorded at the consideration paid for acquisition of such assets and claimed at cost less accumulated amortization and impairment.
- b) **Amortisation methods and periods**
The entity amortises intangible assets with a definite useful life using the straight-line method.

iv. Capital Work-in-Progress

Capital Work-In-Progress comprises of the cost of Fixed Assets that are not yet ready for their intended use at the reporting date.

1.5 Financial Instruments

Initial Recognition

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of profit and loss.

Subsequent Recognition

i. Financial Assets

a) Measured at amortised cost:

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

b) Measured at fair value through other comprehensive income:

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

c) Measured at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition.

d) Equity instruments:

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net off direct issue cost.

Investment in quoted equity instruments are measured at fair value through other comprehensive income on the basis of active bid market prices and accordingly the changes in fair value have been recognised in the retained earnings as at the date of transition and subsequently in the Other Comprehensive income.



Notes forming part of Standalone Financial Statements

ii. Financial Liabilities

- a) Financial liabilities are measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- b) Interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Gain and losses recognised in profit and loss when the liabilities are derecognised.

iii De-Recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The entity transfers the difference between the carrying amount of Financial Liability (Bank Loan) and the consideration paid in full settlement to wave off the loan to profit and loss account.

1.6 Inventories :

Raw materials, Stores and Spares, Semi-finished Goods, Traded and Finished Goods

- a) Raw materials, components and stores & spares are valued at cost following FIFO method. Cost includes purchase price, freight, handling charges and other directly attributable costs to bring the material to its present location and are net of duties and taxes wherever applicable.
- b) Semi-finished goods, finished goods and traded goods are valued at lower of cost or Net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on average cost of production.
- c) Cost of finished goods inside the plant is exclusive of GST
- d) Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.7 Cash and Cash Equivalents :

For the purpose of presentation in the statement of financial statements, 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 twelve 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.

1.8 Contributed Equity :

- a. Equity shares are classified as equity.
- b. 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.

1.9 Borrowings :

- i. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- ii. Preference shares, which are mandatorily redeemable on a specific date, are classified as Non Current Financial Liabilities in the "Note 12 - Borrowings".
- iii. Borrowings are withdrawn from the balance sheet when obligations specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses).
- iv. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current and if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



1.10 Trade and Other Payables :

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.11 Provisions & Contingent Liabilities:

- a. A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- c. 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. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

1.12 Income Tax :

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.
- iii. Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961.
- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are set off when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are set off where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. 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.



1.13 Revenue Recognition :

- i. Revenue is measured at fair value of consideration received or receivable. Amount disclosed as revenue are net of returns, trade allowances, rebates, Goods and services tax and amounts collected on behalf of third parties.
- ii. It recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.
- iii. The company adopts the following criteria for recognizing the revenue:-
 - a) Sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.
 - b) Sale of stock in trade is recognized when the goods are dispatched to the customers.

1.14 Purchases :

Purchase of materials is recognized on dispatch of such goods by the suppliers based on certainty of receipt of such goods at the factory. It is shown net of GST credit wherever applicable.

1.15 Employee Benefits :**(i) Short-term employee benefit 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.

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Statement of Profit and loss.

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Superannuation; and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Statement of Profit and loss on accrual basis.

Gratuity and Superannuation obligations

The company has not made any provision with regard to gratuity and superannuation benefits on actuarial basis in compliance to the provisions laid in accounting standard on accounting for retirement benefits. However the company has taken a group gratuity policy with life insurance corporation of india in respect of retirement benefits of its employees, the annual premium of which is charged to the Statement of Profit and Loss.

(iii) Bonus plans

The entity recognises a liability and an expense for bonus. It recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16 Borrowing Costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

1.17 Segment Reporting :

- (i) The Company is primarily engaged in the business of manufacturing of steel.
- (ii) The company's products are dispatched from plants located at Rajgangpur (Odisha) to various parts of the country and considering the customer base which is wide spread all over the country, no such geographical differentiation can be done for presenting the information.

1.18 Reserves:

- (i) General Reserve: Created by transferring a portion of the net profit to meet future obligations or expansions.
- (ii) Securities Premium: Amount received in excess of the face value of shares issued. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- (iii) Capital Reserve: Represents the surplus arising from capital transactions such as forfeiture of shares, revaluation of assets, subsidies and gains on sale of fixed assets.
- (iv) Reserve for Investments at Fair Value through OCI: Comprises the cumulative gains and losses arising from changes in the fair value of equity instruments designated through OCI.
- (v) Retained Earnings: Accumulated profits after tax, adjusted for dividends, transfers to reserves, and other appropriations.

1.19 Rounding of Amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated. Also the figures of additions and/or subtractions have been rounded up/off automatically for reporting at INR in lakhs.



NOTE - 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

Contingencies

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

B. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.



Notes forming part of Standalone Financial Statements

Note-2: Property, Plant and Equipment									
Particulars	Land #	Freehold Buildings	Furniture, Fittings and Equipment	Plant and Machinery	Total	Capital Work-in-Progress	Intangible Assets		
	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'	INR 'Lakhs'
Gross Carrying Amount (Deemed Cost) At 1st April, 2024	4,057.96	11,231.40	48.60	34,829.67	50,167.64	98.41			6.77
Additions during the year	5.58	-	-	4.38	9.96	1,916.61			-
Exchange differences	-	-	-	-	-	-			-
Disposals/Deletions during the year	-	-	-	(107.78)	(107.78)	-			-
Gross Carrying Amount (Deemed Cost) At 31st March, 2025	4,063.54	11,231.40	48.60	34,726.27	50,069.82	2,015.02			6.77
Accumulated Depreciation and Impairment									
At 1st April, 2024	-	4,249.47	43.38	17,949.59	22,242.43	-			5.67
Depreciation for the year	-	341.82	1.05	1,226.16	1,569.04	-			0.33
Disposals/Deletions during the year	-	-	-	(96.60)	(96.60)	-			-
Accumulated Depreciation and Impairment At 31st March, 2025	-	4,591.29	44.43	19,079.15	23,714.87	-			6.01
Net Book Value									
At 31st March, 2025	4,063.54	6,640.12	4.17	15,647.12	26,354.95	2,015.02			0.77
At 31st March, 2024	4,057.96	6,981.94	5.22	16,880.09	27,925.21	98.41			1.10
Depreciation and Amortization									
During the Current Year	-	341.82	1.05	1,226.16	1,569.04	-			0.33
During the Previous Year	-	338.45	1.06	1,200.50	1,540.01	-			0.19
Net Book Value							As at 31st March 2025	As at 31st March 2024	
							INR 'Lakhs'	INR 'Lakhs'	
Property, Plant and Equipment				26,354.95		27,925.21			
Capital Work-in-progress				2,015.02		98.41			
Intangible Assets				0.77		1.10			
Aging of Capital Work in Progress : Aging Schedule for the year ended									
Capital Work in Progress (CWIP)	Amount of CWIP /IAUD for a period of					Total			
	Less than 1 year	1-2 years	2-3 years	More than 3 years					
Projects in Progress (as at 31st March, 2025)	1,916.61	96.23	2.17	-		2,015.02			
As at 31st March 2024	96.23	2.17	-	-		98.41			
# a) Freehold land of 7.68 Acres situated in Village Raiberna and Laing, Sundergarh, Odisha of which a valid registered sale deed is in the name of M/s. Shristi Ispat Limited, the company which was merged in to this company during 2005.									
# b) Land of 24.820 Acres occupied by the company situated in Village-Kudithini, Bellary, Karnataka, on long term lease basis.									
# c) Land of 7.95 Acres occupied, by the company situated in Village-Raiberna and Laing, Sundergarh, Odisha, which is in the name of one of the relative of Key Managerial Personnel, on long term lease basis, subsequently registered sale deed has been executed with the company.									
# d) Land area of Ac 5.000 dec and Ac 1.780 dec aggregating area Ac 6.780 dec occupied, by the company situated in Village-Laing & Rajgangpur, Sundergarh, Odisha, on long term lease basis. These lease deed has been executed between the Governor of Odisha represented by the Collector, Sundergarh and the company M/s Shristi Ispat Limited (subsequently merged in to this company during the year 2005).									
# e) Land of 40.780 Acres occupied by the company situated in Village-Dhamakpur, Laing, Budhakata and Baibai on short-term lease basis. Hence the company has noted exemption from applicability of Ind AS-116. "Leases" for the specified land due to short-term lease									



Notes forming part of Standalone Financial Statements

Note-3:Investments			
Particulars		As at 31st March '2025	As at 31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
A. Investments carried at fair value through OCI (FVOCI)			
I. Investment in Equity Instrument (Fully Paid up)			
a. Quoted Shares		36.03	5.75
II.Investment in Mutual Fund (Mark to Market)		193.13	1,056.53
III. Investment In Partnership Firm *		189.52	199.71
B. Investments Carried at Cost			
Unquoted Shares			
I. Investment In Other Body Corp.		822.81	451.33
II. Investment In Associates - Body Corp.		843.54	843.54
Total		2,085.03	2,556.86
Aggregate cost price of quoted shares		42.71	10.68
* Investment in partnership firm shown as adjusted figure of partners' current account balance.			
A. Investments carried at fair value through OCI (FVOCI) (fully paid)			
I. Investment in Equity Instrument (Fully paid up)			
a. Quoted Shares			
Nil nos equity shares of Globus Corporation Limited. (31st March,2024:369481 Nos)		-	1.29
31474 nos equity shares of PFL Infotech Ltd. (31st March,2024:31474 Nos)		3.00	1.30
55449 nos equity shares of Polytex India Limited. (31st March,2024:55449 Nos)		3.23	2.89
Nil nos equity shares of Voltas Limited. (31st March,2024: 20 nos.)		-	0.27
1400 nos equity shares of INOXWIND. (31st March,2024: nil)		2.22	-
5000 nos equity shares of NETWORK NSE (31st March,2024: nil)		2.25	-
700 nos equity shares of NTPC. (31st March,2024: nil)		2.53	-
750 nos equity shares of Hindustan Zinc. (31st March,2024: nil)		3.36	-
400 nos equity shares of DLF (31st March,2024: nil)		2.75	-
590 nos equity shares of EPACK (31st March,2024: nil)		2.07	-
20000 nos equity shares of JP POWER (31st March,2024: nil)		2.90	-
600 nos equity shares of JSWENERGY (31st March,2024: nil)		3.29	-
60 nos equity shares of NUVAMA (31st March,2024: nil)		3.64	-
3500 nos equity shares of SPICEJET LTD (31st March,2024: nil)		1.58	-
480 nos equity shares of TATA MOTORS (31st March,2024: nil)		3.21	-
Sub-Total		36.03	5.75
III. Investment In Partnership Firm * (Associate Firm)			
RAR Ispat LLP		189.52	199.71
As the company Scan Steels Ltd. is one of the Partner having 50% share of profit/(loss) and the original share of Capital Contribution is Rs. 200 lakhs			
B. Investments Carried at Cost			
Unquoted Shares			
I. Investment In Other Body Corp.			
4360 nos equity shares of Millenium Cybertech Limited. (31st March,2024:4360 Nos)		0.05	0.05
25363 nos equity shares of Matra Realty Limited. (31st March,2024:25363 Nos)		0.08	0.08
369481 nos equity shares of Globus Corporation Limited. (31st March,2024: Nil Nos)		0.48	-
41,54,000 nos of Equity Shares Rs. 10/- each of Karma Re-Rollers Private limited. (31st March,2024:15,04,000 Nos)		822.20	451.20
Sub-Total		822.81	451.33



II. Investment In Associates - Body Corp.			
3001500 nos of equity shares at face value of Rs 10/- each RPSG Agro Commodity Pvt. Ltd.	300.15	300.15	
(31st March,2024: 3001500 nos)			
1707699 nos of equity shares at face value of Rs 10/- each Shrishti Resorts & Multiplex Pvt. Ltd.	543.39	543.39	
(31st March,2024: 1707699 nos)			
Sub-Total	843.54	843.54	
Note-4: Other Financial Assets			
Particulars	As at31st March '2025	As at31st March '2024	
	INR 'Lakhs'	INR 'Lakhs'	
Security Deposits	1,713.70	1,564.79	
Other bank balances*	275.77	283.53	
Sub-Total	1,989.47	1,848.32	
*Details of other balances with banks			
Other bank balances consist of the following:			
Earmarked Balances with Banks			
Term Deposits with Bank	67.61	90.32	
Margin money,guarantee and security with banks	196.00	150.00	
Accrued Interest on Fixed Deposits & Others	12.16	43.21	
Total	275.77	283.53	
*The margin money in form of fixed deposits (kept for more than 12 months) earmarked for issuing Bank Guarantee.Fixed deposits face value of INR 196 lakhs (PY 150 lakhs) held as collateral security with lead bank State Bank of India on behalf of consortium member banks.			
Note-5 :Other Assets			
Particulars	As at31st March '2025	As at31st March '2024	
	INR 'Lakhs'	INR 'Lakhs'	
(i)Non-Current			
Advance against Property	1,881.79	1,621.74	
Other Long term Loan & Advances	162.02	246.22	
Balances with Government Authorities	432.45	429.59	
Unmatured Financial Charges	0.04	2.23	
Sub-Total	2,476.29	2,299.77	
(ii)Current			
Advance to Suppliers	1,779.28	624.41	
Advance for Expenses & others	406.73	424.72	
Balances with Government Authorities	1,379.92	1,420.97	
Prepaid Expenses	59.71	54.07	
Unmatured Financial Charges	2.19	6.16	
Sub-Total	3,627.83	2,530.33	
Total	6,104.13	4,830.10	
Note-6 :Deferred tax assets/(liabilities)(net)			
Particulars	As at31st March '2025	As at31st March '2024	
	INR 'Lakhs'	INR 'Lakhs'	
(i) Opening balance	(3,491.33)	(3,497.95)	
(ii) Closing balance			
Property,Plant and Equipment and Intangible Assets	(3,462.71)	(3,491.33)	
Allowance/Disallowances of expenses	-	-	
(iii) Transfer to Statement of profit and loss(ii-i)	28.62	6.61	
Note-7: Inventories			
Particulars	As at31st March '2025	As at31st March '2024	
	INR 'Lakhs'	INR 'Lakhs'	
Raw Materials	14,297.34	10,248.10	
Semi-finished goods	75.01	237.61	
Finished Goods-Manufacturing	1,981.10	6,549.70	
Stock-in-trade	9.28	21.84	
Stores,spares and consumables	397.97	498.68	
Total	16,760.69	17,555.93	



Note 8 :Trade Receivables									
Particulars					As at31st March		As at31st March		
					'2025		'2024		
					INR 'Lakhs'		INR 'Lakhs'		
Unsecured,considered good									
Debtors More than Six Months					298.20		183.00		
Others					821.76		2,332.71		
Total					1,119.96		2,515.71		
Less: Allowances for Credit Loss (Note-39)					21.29		13.08		
Total					1,098.67		2,502.63		
No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner or a director. The amount due from firms / private companies as mentioned above are to the tune of current Year INR Nill, Prev Year INR Nil.									
Trade receivables are non-interest bearing and are generally on terms of 15 to 20 days.									
Trade Receivables aging schedule for the year ended as on March,31 2025 and March,31 2024									
Outstanding for following periods from due date of payment									
Particulars	Not Due	Less than 6 months	6 Months-1 year	1-2 Years	2-3 years	More than 3 years	Total		
Undisputed Trade Receivables-considered good	-	821.76	158.53	18.74	14.47	64.87	1,078.37		
As at 31st March , 2024	-	2,294.79	37.93	69.24	48.37	23.79	2,474.12		
Undisputed trade Receivables-credit impaired	-	-	-	-	-	41.59	41.59		
As at 31st March , 2024	-	-	-	-	-	41.59	41.59		
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-		
As at 31st March , 2024	-	-	-	-	-	-	-		
Total Trade Receivables	-	821.76	158.53	18.74	14.47	106.47	1,119.96		
Less: Allowances for Credit Loss	-	-	-	-	-	21.29	21.29		
Net Trade Receivables as at 31st March , 2025		821.76	158.53	18.74	14.47	85.17	1,098.67		
As at 31st March , 2024	-	2,294.79	37.93	69.24	48.37	65.38	2,515.71		
Less: Allowances for Credit Loss	-	-	-	-	-	13.08	13.08		
Net Trade Receivables 31st March , 2024		2,294.79	37.93	69.24	48.37	52.31	2,502.63		
Note-9: Cash and Bank Balances									
Particulars					As at31st March		As at31st March		
					'2025		'2024		
					INR 'Lakhs'		INR 'Lakhs'		
Balances with banks									
In Current Accounts					610.84		2,162.43		
Cheque In hand*					-		579.00		
In Deposits Accounts					275.77		283.53		
Cash on Hand					365.74		437.12		
Sub Total					1,252.35		3,462.08		
Less:Balances with bank other than above(Note-4)					(275.77)		(283.53)		
Total					976.58		3,178.55		
*As at the current balance sheet date, there are no post-dated cheques in hand towards consideration for sale of land. In the previous year i.e. 2023-24, such cheque amounted to INR 579.00 lakhs.									



Note-10:Equity

Particulars	As at 31st March '2025	As at 31st March '2024		
	INR 'Lakhs'	INR 'Lakhs'		
A. Equity Share Capital				
Authorised				
(i) 777.5 lakhs Nos of Equity shares of 10/- each (P.Y: 715 lakhs Nos of Equity shares of 10/- each)	7,775.00	7,150.00		
B. Preference Share Capital				
Authorised				
(i) 87.50 lakhs Nos of Non-cumulative Redeemable Preference shares of 10/- each (P.Y:87.50 lakhs Nos of Non-cumulative Redeemable Preference of shares of 10/- each)	875.00	875.00		
(ii) NIL Nos of Non-cumulative Optionally Convertible Redeemable Preference shares of nil/- each (P.Y: 62.50 lakhs Nos of Non-cumulative Optionally Convertible Redeemable Preference shares of 10/- each	-	625.00		
	8,650.00	8,650.00		
1.Issued, Subscribed and Paid Up				
(a) Equity Share Capital				
(i) 586.02 lakhs Nos of Equity shares of 10/- each* (P.Y: 523.52 lakhs Nos of Equity shares of 10/- each)	5,860.23	5,235.23		
Total	5,860.23	5,235.23		
*During the financial year, the Company has effected the conversion of 62.50 lakh Optionally Convertible Redeemable Preference Shares (OCRPS) into equity shares of ₹10 each, pursuant to the terms of issue.				
(b) Instruments entirely equity in nature				
(i) NIL Nos of Non-cumulative Optionally Convertible Redeemable Preference shares(OCRPS) of 10/- each (P.Y: 62.50 lakhs Nos of Non-cumulative Optionally Convertible Redeemable Preference shares(OCRPS) of 10/- each	-	625.00		
Total	-	625.00		
i) Reconciliation of number of equity shares are set out below:				
a) Shares outstanding at the beginning of the financial year.	523.52	523.52		
b) Issued during the year	62.50	-		
Shares outstanding at the end of the financial year	586.02	523.52		
ii) Reconciliation of Instruments entirely equity in nature (OCRPS) are set out below:				
a) Shares outstanding at the beginning of the financial year.	62.50	-		
b) Issued during the year		62.50		
c) Converted into Equity Share.	(62.50)			
Shares outstanding at the end of the financial year	-	62.50		
c) Details of Shareholders holding more than 5% of Equity shares				
Name of the Shareholders	No.of Shares	% held	No.of Shares	% held
i) Rajesh Gadodia	54.63	9.32%	54.63	10.44%
ii) Archana Gadodia	47.71	8.14%	47.71	9.11%
iii)Artline Commerce Pvt Ltd	95.67	16.33%	95.67	18.27%
iv) Bayanwala Brothers (p) Limited	87.73	14.97%	53.84	10.28%
v) Gopikar Supply Pvt Ltd.	34.31	5.85%	20.00	3.82%

The Company has a single class of Equity shares. Accordingly ,all equity shares rank equally with regard to dividend and share in the company's residual assets.



d) Details of Promoters' Holding on Equity Share Capital

Name of the Promoters'	As at 31st March '2025		As at 31st March '2024		Change during the year	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
i) Rajesh Gadodia	54.63	9.32%	54.63	10.44%	-	-1.11%
ii) Archana Gadodia	47.71	8.14%	47.71	9.11%	-	-0.97%
iii) Artline Commerce Pvt Ltd	95.67	16.33%	95.67	18.27%	-	-1.95%
iv) Bayanwala Brothers (p) Limited	87.73	14.97%	53.84	10.28%	33.90	4.69%
v) Gopikar Supply Pvt Ltd.	34.31	5.85%	-	-	14.31	5.85%
Total	320.06	54.6%	251.85	48%		



Note - 11 : Other Equity

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
a.General Reserve		
Opening Balance	1,344.12	1,344.12
Add:-Additions during the year		
Subtotal	1,344.12	1,344.12
b.Securities Premium		
Opening Balance	20,642.42	19,864.84
Add:-Additions during the year	-	3,783.13
Less:-On Redemption of Preference Share during the year	-	(3,005.54)
Subtotal	20,642.42	20,642.42
c. Capital Reserve		
Opening Balance	554.73	554.73
Add:-Additions during the year	-	-
Subtotal	554.73	554.73
d. Reserve for investments at Fair Value through OCI		
Opening Balance	176.85	(9.44)
Add: Net fair value gain/(loss) on investments during the period	(160.98)	224.80
Less : Income Tax Provision On OCI	-	(38.51)
Subtotal	15.87	176.85
e. Retained Earnings		
Opening Balance	11,381.33	9,608.32
Add: Profit/(Loss) during the year	1,960.50	1,773.01
Subtotal	13,341.83	11,381.33
Total	35,898.96	34,099.45



Scan Steels Limited
CIN- L27209MH1994PLC076015
STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

i) Current reporting period As at 31 March, 2025

Balance at the beginning of the current reporting period			Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23	-	-	-	523.52	5,235.23	62.50	625.00	586.02	5,860.23

ii) Previous reporting period As at 31 March, 2024

Balance at the beginning of the current reporting period			Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23	-	-	-	523.52	5,235.23	-	-	523.52	5,235.23

b. Any other instrument entirely equity in nature- Non cumulative Optionally Convertible Redeemable Preference Shares(OCRPS)

i) Current reporting period As at 31 March, 2025

Balance at the beginning of the current reporting period			Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
62.50	625.00	-	-	-	62.50	625.00	(62.50)	(625.00)	-	-

ii) Previous reporting period As at 31 March, 2024

Balance at the beginning of the current reporting period			Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
-	625.00	-	-	-	-	625.00	62.50	-	62.50	625.00



SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Statement of Changes in Equity for the year ended 31st March , 2024

Other Equity	Particulars	Attributable to owners of Scan Steels Limited						Amount INR' Lakhs	
		Reserves and surplus			Other reserves				
		Equity component of compound financial instruments	General Reserves	Securities Premium	Retained Earnings	Capital Reserves	FVOCI- equity investments		Reserves for Commodity Derivatives
	Balance at 1st April 2023	-	1,344.12	19,864.84	9,608.32	554.73	(9.44)	-	31,362.57
	Profit for the year /Adjustment	-	-	3,783.13	1,773.01	-	224.80	-	5,780.94
	Other comprehensive income /Adjustment	-	-	(3,005.54)	-	-	(38.51)	-	(3,044.05)
	Total comprehensive income for the year	-	1,344.12	20,642.42	11,381.33	554.73	176.85	-	34,099.45
	Deferred hedging gains/(losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	-	-	-	-
	Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-
	Issue of equity shares	-	-	-	-	-	-	-	-
	Dividends paid	-	-	-	-	-	-	-	-
	Other adjustments	-	-	-	-	-	-	-	-
	Balance at 31st March 2024	-	1,344.12	20,642.42	11,381.33	554.73	176.85	-	34,099.45

Other Equity

Amount INR' Lakhs'

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

For and on behalf of the Board
Scan Steels Limited



Debashis Pattnaik
Partner
M.No.316339

Ankur Madaan
Director
DIN: - 07002199

Praveen Kumar Patro
Director
DIN: - 02469361

17-05-25
Bhubaneswar

Prabir Kumar Das
Company Secretary

Kalyan Kiran Mishra
Chief Financial Officer

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Statement of Changes in Equity for the year ended 31st March , 2025

Particulars	Attributable to owners of Scan Steels Limited							Amount INR Lakhs	
	Equity component of compound financial instruments	Reserves and surplus			Other reserves			Total Other Equity	
		General Reserves	Securities Premium	Retained Earnings	Capital Reserves	FVOCI- equity investments	Reserves for Commodity Derivatives		
Balance at 1st April 2024	-	1,344.12	20,642.42	11,381.33	554.73	176.85	-	34,099.45	
Profit for the year	-	-	-	1,960.50	-	-	-	1,960.50	
Other comprehensive income	-	-	-	-	-	(160.98)	-	(160.98)	
Less : Income Tax Provision On OCI	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	1,344.12	20,642.42	13,341.84	554.73	15.87	-	35,898.98	
Deferred hedging gains/(losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	-	-	-	-	
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-	
Issue of equity shares	-	-	-	-	-	-	-	-	
Dividends paid	-	-	-	-	-	-	-	-	
Other adjustments	-	-	-	-	-	-	-	-	
Balance at 31st March 2025	-	1,344.12	20,642.42	13,341.34	554.73	15.87	-	35,898.98	

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Das

Debashis Pattnaik
Partner
M.No.316339



17-05-25
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited

Ankur

Ankur Madan
Director
DIN: - 07002199

Praveen

Praveen Kumar Patro
Director
DIN: - 02469361

Kalyan

Kalyan Kiran Mishra
Chief Financial Officer

Note-12 : Borrowings						
Particulars		As at31st March '2025	As at31st March '2024			
		INR 'Lakhs'	INR 'Lakhs'			
Borrowings consists of the followings						
(i)Non-Current Borrowings						
A. Secured Loan						
(a) Term Loan From Banks		-	544.67			
(b) Financial Lease Obligations		0.33	36.04			
Total non-current borrowings			0.33	580.70		
(ii)Current Borrowings						
Current maturities of long term debt		-	198.36			
Preference Share1%*		396.36	396.36			
Current maturities of finance lease obligations		35.71	37.86			
Interest accrued and due on borrowings		-	5.92			
Cash Credit from Banks		5,760.17	10,672.55			
Total current borrowings			6,192.24	11,311.05		
Grand Total			6,192.56	11,891.75		
* The Board of Directors are in the opinion to convert 17.66 Lakhs numbers Optionally Convertible Redeemable Preference Shares (OCRPS) to 17.66 Lakhs nos. Equity shares (Ranking with term Paripassu to the existing equity shares) for a face value of Rs. 10/- each at a security premium of Rs. 60.53 per share. Previous Year:- The Board of Directors are in the opinion that, the company shall issue 17.66 Lakhs Optionally Convertible Redeemable Preference Shares (OCRPS) on preferential allotment basis, to the existing Non-convertible Redeemable Preference shares (NCRPS) holders on redemption of balance portion 28.31 lakhs nos. of NCRPS @ Rs. 44/- each, of the said shares, for a face value of Rs. 10/- each at a security premium of Rs. 60.53 per share. Hence, this is being treated under current borrowings.						
Note-13: Trade Payables						
Particulars		As at31st March '2025	As at31st March '2024			
		INR 'Lakhs'	INR 'Lakhs'			
Payable to MSME		32.29	11.72			
Payable to Others		633.70	524.01			
Total		665.98	535.73			
There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises.						
Trade Payables aging schedule for the year ended as on March,31 2025 and March,31 2024						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Outstanding dues to MSME						
As at 31st March , 2025	-	32.29	-	-	-	32.29
As at 31st March , 2024	-	11.72	-	-	-	11.72
Outstanding dues to Others						
As at 31st March , 2025	-	633.70	-	-	-	633.70
As at 31st March , 2024	-	524.01	-	-	-	524.01
Total Trade Payables						
As at 31st March , 2025	-	665.98	-	-	-	665.98
As at 31st March , 2024	-	535.73	-	-	-	535.73
Note-14: Other financial liabilities						
Particulars		As at31st March '2025	As at31st March '2024			
		INR 'Lakhs'	INR 'Lakhs'			
Liabilities for Expenses		2,163.72	2,632.89			
Total		2,163.72	2,632.89			
Note-15: Other Current Liabilities						
Particulars		As at31st March '2025	As at31st March '2024			
		INR 'Lakhs'	INR 'Lakhs'			
Income Received in Advance		1,605.71	707.32			
Statutory Dues Payable		858.41	643.41			
Total		2,464.12	1,350.73			



Note-16 : Revenue from Operations

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Sale of Products	78,503.26	96,142.41
Sale of Services	416.67	398.92
Total	78,919.93	96,541.32

1. Sale of products and services are mentioned exclusive of GST.

2. Sale Of Products Includes Sale Of Traded Steel Products INR 656.76 Lakhs (Prev Year INR 12,850.403 Lakhs)

Note-17 : Other Incomes

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Interest Income	139.21	145.53
Profit / (Loss) on Sale Of Mutual Fund	299.28	20.88
Profit on sale of Fixed Assets	-	32.42
Dividend Income	0.42	0.27
Other Income	21.98	2.63
Total	460.89	201.72

Note-18 : Cost of Raw Material Consumed

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Raw material and components consumed		
Opening Stock	10,248.10	12,101.52
Add:Purchased during the year *	53,842.32	62,564.88
Less:Stock used for fixed Assets**	64.71	32.46
Less:Closing Stock	14,297.34	10,248.10
Total	49,728.36	64,385.85

*Purchases includes material cost , expenses & other costs which are directly attributable to procurement

** Stock used for Fixed assets valued at cost of goods sold and GST reversal considered

Note-19 : Change in Inventories-(Increase)/Decrease

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Opening Stock		
Semi-Finished Goods	237.61	136.16
Finished Goods-Manufacturing	6,549.70	2,640.44
Stock In Trade	21.84	99.45
Sub-Total(A)	6,809.15	2,876.05
Less:- Closing Stock		
Semi-Finished Goods	75.01	237.61
Finished Goods-Manufacturing	1,981.10	6,549.70
Stock In Trade	9.28	21.84
Sub-Total(B)	2,065.38	6,809.15
Total(A-B)	4,743.77	(3,933.10)



Note-20 : Employee Benefit Expenses

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Salaries,wages and bonus	3,344.27	2,827.65
Staff Welfare	23.61	6.49
Contribution to provident and other funds	378.95	276.83
Total	3,746.82	3,110.98

Note-21 : Finance Cost

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Interest on Debts & Borrowings	812.21	943.96
Interest on finance lease obligations	6.16	9.31
Interest on Unsecured loans & Others	0.18	45.43
Total	818.55	998.70

Note-22 : Other Expenses

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Consumption of stores and spares *	3,650.58	3,814.36
CSR Expenses	75.76	90.93
Power and fuel	9,546.96	9,967.35
Loss on sale of Fixed Assets	7.79	-
Water charges	54.46	51.58
Operational Expenses	857.84	542.21
Selling & Distribution expenses	21.19	38.68
Security Service Charges	35.18	21.25
Rent,Rates and taxes	299.69	258.47
Insurance	52.23	54.31
Bank Charges	41.46	47.27
Repair & Maintenance	218.43	179.81
Advertising and Sales promotion	207.80	242.73
Professional & Consultancy fees	236.64	259.97
Communication costs	8.74	7.16
Remuneration to Auditors	22.00	22.00
Allowances for Credit Loss	8.22	3.59
Loss In Partnership Firm	10.19	0.29
General expenses	176.50	43.96
Total	15,531.67	15,645.92

* Consumption of Stores and Spares includeds Imported material of INR Nil (Prev year INR Nil)



Notes forming part of Standalone Financial Statements

Note-23 : Financial Ratios

Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance
Current Ratio	Current Assets	Current Liabilities	1.82	1.55	17.28%
Debt Equity Ratio #1	Total Debt*	Shareholders' Equity	0.15	0.30	-50.95%
Debt Service Coverage Ratio (in times) #2	Earnings available for Debt service (**)	Debt Service ***	10.06	6.77	48.77%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder' Equity	4.69%	4.51%	4.16%
Inventory Turnover Ratio (in days) #3	Average Inventory	Revenue from Operation	80	63	26.98%
Trade Receivables Turnover Ratio (in days) #4	Average trade receivable	Revenue	8	13	-38.46%
Trade Payables Turnover Ratio (in days)	Average trade payable	Purchase of Goods and services.	4	5	-20.00%
Net Capital Turnover Ratio (in times) #5	Revenue	Working Capital	7.71	10.40	-25.90%
Net Profit Ratio #6	Net Profit	Revenue	2.47%	1.83%	34.76%
Return on Capital employed (ROCE)	Earnings before interest and taxes	Capital Employed****	7.58%	7.87%	-3.65%
Return on Investment (ROI)					
(a) Unquoted	Income Generated from Investment	Weighted average investment	-	-	-
(b) Quoted #7	Income Generated from Investment	Weighted average investment	2.32%	5.14%	-54.78%

* Debt represent Non Current and Current Borrowings.

** Net profit after taxes + non cash operating expenses+ interest+other adjustment like loss on sale of Fixed assets etc.

*** Principal repayment componet of non current Borrowing.

**** Tangible networkth + Deferred tax liabilities+ non current borrowings.

#1 Debt Equity Ratio decreased by 50.95% due to repayment of long-term borrowings and infusion of equity capital.

#2 Debt Service Coverage ratio is improved by 48.77% due to prompt payment of loan, reduced finance cost and increase in net profit.

#3 Inventory Turnover Ratio increased by 26.98% resulting from improved inventory management and higher sales volume.

#4 Trade Receivables Turnover Ratio declined by 38.46% due to delayed collections from customers.

#5 Net Capital Turnover Ratio declined by 25.90% wing to increased working capital requirements and higher current asset levels.

#6 Net Profit Ratio increased by 34.76% as a result of improved operational efficiency and cost optimization measures.

#7 Return on Investment (ROI) declined by 54.78% due to increase in the capital investments for which return has yet to be realised.



Notes forming part of Standalone Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note -24 : Earnings Per Share(EPS)

Sl. No	Particulars	31st March 2025	31st March 2024
a)	Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (Rs Lakhs)	1,960.50	1,773.01
b)	Weighted Average number of equity shares used as denominator for calculating Basic EPS	586.02	523.52
c)	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	586.02	525.91
d)	Face Value per Equity Share (INR in Rupees)	10.00	10.00
e)	Basic Earnings per share (INR in Rupees) (a/b)	3.35	3.39
f)	Diluted Earnings per share (INR in Rupees) (a/c)	3.35	3.37

Note -25 : Foreign Currency Transactions

Sl.No	Particulars	31st March 2025	31st March 2024
i)	USD Outgo	-	-
ii)	INR in 'Lakhs'	-	-
iii)	Amount of Exchange differences debited/(credited) to profit or loss (in Lakhs)	-	-

Note - 26 : Contingent Liabilities

Sl.No	Particulars	31st March 2025	31st March 2024
i.	Estimated amount of contracts remaining to be executed on capital accounts and not provided for.	Nil	Nil
ii.	Claims against the Company not acknowledged as debts (Net of payment):		
	a) Central Sales Tax	13.35	13.35
	b) OVAT/OST	1,527.79	1,528.64
	c) Orissa Entry tax	373.95	357.62
	d) Customs duty	111.58	111.58
	e) Income Tax	42.19	46.00
iii	Bank Guarantees	193.38	174.43
iv.	NMET	6.28	6.28
	However as per management perception, the above liabilities will not devolve upon the company in future.		

Note -27 : Registration of Charges or Satisfaction

The Company has filed, respective forms before Registrar of Companies related to creation of charges and satisfaction of charges in relation to loan availed from banks and financial institutions, timely manner within a statutory period prescribed under Companies Act' 2013.

Note-28 :Relationship with struck off companies

Name of the struck off company	Nature of transactions with struck off company	31st March 2025		31st March 2024	
		Balance outstanding as at current period	Relationship with the struck off company	Balance outstanding as at previous period	Relationship with the struck off company
NA	Investment in securities	-	NA	-	NA
NA	Receivables	-	NA	-	NA
NA	Payables	-	NA	-	NA
NA	Shares held by struck off Company	-	NA	-	NA
NA	Other outstanding balances (specify)	-	NA	-	NA

Note-29 : Additional Disclosures As per Ind AS 108 "Operating Segments "

Extent of Reliance on Major Customers

Extent of Reliance on Major Customers of the company can be depicted by assessing their sales chunk compared to total revenue of the operation. The percentage of group of major customer to its total revenue is as below :

Particulars	% of Total Revenues	
	31st March 2025	31st March 2024
One Customer	3.94%	11.27%



Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note -30 : Related Party Disclosure as per Ind AS 24

(I) List of Related Parties

Sl. No	Name	Designation
i)	Mr. Rajesh Gadodia	Promoter- Non Executive Chairman
Key Managerial Personnel		
i)	Mr. Ankur Madaan	Whole-Time Director
ii)	Mr. Praveen Kumar Patro	Executive Director
iii)	Mr. Gobinda Chandra Nayak	Former Chief Financial Officer
iv)	Mr. Kalyan Kiran Mishra	Chief Financial Officer

The Company Secretary has not been considered as related party as he is not having the authority and responsibility for planning, directing and controlling the executive decision. of the entity, directly or indirectly. This is in line with Ind AS 24, "Related party transactions".

Related Parties and Close Family Members of Promoter Director.

Sl. No	Name	Relationships
i)	Mrs. Archana Gadodia	Promoter- Relative of Promoter
ii)	Mr. Nimish Gadodia	Relative of Promoter
iii)	Artline Commerce Private Limited	Promoter Company
iv)	Bayanwala Brothers Private Limited	Promoter Company
v)	Shrishti Trading Corporation Private Limited	Promoter having significant influence
vi)	Karma Re-Rollers Private Limited	Promoter having significant influence
vii)	Scan Energy and Power Limited	Relative of Promoter is a Director
viii)	Nav Durga Fuel Private Limited	Relative of Promoter is a Director
ix)	Rourkela Sponge LLP	Relative of Promoter is a Partner

List of Associate Entities

Sl. No	Name	Relationships
i)	RPSG Agro Commodity Pvt Ltd	Associate Company
ii)	Shristi Resorts & Multiplex Pvt Ltd	Associate Company
iii)	RAR Ispat LLP	Associate Firm, Company is one of the Partner

None of the close members of all Key managerial Personnels are considered as Related Party In accordance with Ind AS 24 considering the fact that they are neither participating nor influencing executive decision making of the company.



Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

(II) Related Party transactions

Sl. No	Particulars	Promoter & Relative of Promoter	Promoter Company	Associate Company/Firm	Promoter having significant influence	Relative of Promoter is a Director	KMP
a)	Purchase of goods	-	-	-	1,760.63	379.48	-
	Previous Year : as at 31st March, 2024	-	-	43.34	3,669.69	2,373.96	-
b)	Sale of Goods	-	-	21.85	3,396.88	-	-
	Previous Year : as at 31st March, 2024	-	-	-	12,376.58	-	-
c)	Interest expenses recognised	-	6.16	-	-	-	-
	Previous Year : as at 31st March, 2024	-	9.31	-	-	-	-
d)	Services received	223.56	22.78	318.38	-	-	-
	Previous Year : as at 31st March, 2024	219.60	36.59	72.33	-	-	-
e)	Services rendered	-	-	-	92.67	-	-
	Previous Year : as at 31st March, 2024	-	-	-	74.92	-	-
f)	Remuneration to Key Managerial Personnel						44.63
	Previous Year : as at 31st March, 2024						39.23
g)	Director Sitting Fees	0.14					
	Previous Year : as at 31st March, 2024	0.10					
h)	Leasing out Income-Plant & Machinery	-	-	-	-	324.00	-
	Previous Year : as at 31st March, 2024	-	-	-	-	324.00	-
i)	Sale of Movable Property / Immovable Property	-	-	-	-	-	-
	Previous Year : as at 31st March, 2024	-	-	20.00	-	-	-
	Loan Taken	-	-	-	-	-	-
j)	Previous Year : as at 31st March, 2024	-	77.72	-	-	-	-



Notes forming part of Financial Statements									
(All amounts in INR Lakhs, unless otherwise stated)									
Sl. No	Particulars	Promoter & Relative of Promoter	Promoter Company	Associate Company/Firm	Promoter having significant influence	Relative of Promoter is a Director	KMP		
k)	Outstanding loans and payables:								
	Finance Lease Obligations		36.04						
i)	Previous Year : as at 31st March, 2024		73.90						
ii)	Directors Remuneration / Salary Payable	-	-	-	-	-	2.36		
	Previous Year : as at 31st March, 2024	-	-	-	-	-	1.82		
	Other Payable	-	-	-	-	156.85	-		
iii)	Previous Year : as at 31st March, 2024	-	-	-	-	87.59	-		
	Service Payable	-	5.04	24.74	0.51	-	-		
iv)	Previous Year : as at 31st March, 2024	-	1.15	-	0.72	-	-		
1	Outstanding Advances and receivable	-	-	-	-	-	-		
	Service/Trade Receivable	-	-	-	-	18.88	-		
i)	Previous Year : as at 31st March, 2024	-	-	-	-	26.46	-		
	Investment in Equity Shares (Unlisted)	-	-	843.54	822.20	-	-		
ii)	Previous Year : as at 31st March, 2024	-	-	843.54	451.20	-	-		
	Investment in Partnership Firm	-	-	-	189.52	-	-		
iii)	Previous Year : as at 31st March, 2024	-	-	-	199.71	-	-		



Notes forming part of Financial Statements

Note -31 : Assets provided as Security

Sl. No	Particulars	As at	As at
		31st March 2025	31st March 2024
(i)	Trade Receivables	1,098.67	2,502.63
(ii)	Property, Plant and Equipment :		
	Tangible Assets	26,354.95	27,925.21
(iii)	Inventories	16,760.69	17,555.93
	Total Assets provided as Security	44,214.30	47,983.77

Note -32 : Estimated Useful Live of Property, Plant & Equipment (PPE)

Sl. No	Financial Classification	Nature	Useful Lives	
			As per Management Estimate	As per SCH-II of Companies Act 2013
i)	Freehold Building	Building (Factory)	30 Years	30 Years
		Building (Non Factory)	60 Years	60 Years
ii)	Furniture, Fittings and Equipment	Furniture & Fixtures	10 Years	10 Years
iii)	Office Equipment	Computer	3 Years	3 Years
iv)	Plant & Equipment	Plant & Machinery (Non-Earth Moving)	25 Years	25 Years
		Plant & Machinery (Earth Moving)	25 Years	25 Years
v)	Vehicles	Motor car	8 years	8 years

Note -33 : Fair Value Measurements

(i) Financial instruments by category:

Sl.No	Particulars	31st March 2025		
		FVPL	FVOCI	Amortised cost
			Equity instruments designated as such upon initial recognition	
i)	Financial assets			
	Investments:			
	Equity instruments		36.03	-
	Trade receivables		-	1,098.67
	Cash and cash equivalents		-	976.58
	Others		-	1,989.47
	Total financial assets	-	36.03	4,064.72
ii)	Financial liabilities			
	Borrowings			6,192.56
	Derivative financial liabilities			
	Trade payables			665.98
	Other financial liabilities			2,163.72
	Total financial liabilities	-	-	9,022.26

Sl.No	Particulars	31st March 2024		
		FVPL	FVOCI	Amortised cost
			Equity instruments designated as such upon initial recognition	
i)	Financial assets			
	Investments:			
	Equity instruments	-	5.75	-
	Trade receivables	-	-	2,502.63
	Cash and cash equivalents	-	-	3,178.55
	Others	-	-	1,848.32
	Total financial assets	-	5.75	7,529.50
ii)	Financial liabilities			
	Borrowings			11,891.75
	Derivative financial liabilities			-
	Trade payables			535.73
	Other financial liabilities			2,632.89
	Total financial liabilities	-	-	15,060.37



Notes forming part of Financial Statements

(ii) Fair value Hierarchy:

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

(a) recognised and measured at fair value, and

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

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

INR 'Lakhs'

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31st March, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments				
Mutual funds				
Financial investments at FVOCI				
Quoted equity investments	36.03			36.03
Unquoted equity investments	-			-
Quoted Mutual fund units	193.13			193.13
Derivatives				
Foreign exchange forward contracts				-
Foreign currency options				-
Interest rate swaps				-
Total	229.17	-	-	229.17

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31st March, 2024	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments				
Mutual funds				
Financial investments at FVOCI				
Quoted equity investments	5.75			5.75
Unquoted equity investments	-			-
Quoted Mutual fund units	1056.53			1056.53
Derivatives				
Foreign exchange forward contracts				
Foreign currency options				
Interest rate swaps				
Total	1062.29	-	-	1062.29

Level 1 : This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments(including bonds) which are traded in the stock exchange is valued using the closing price as at the reporting period.

Level 2 : Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize 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 is observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

(iii) As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts are reasonably approximate to the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-



Notes forming part of Financial Statements

1. Trade receivables
2. Cash and cash Equivalent
3. Loans and advances
4. Borrowings
5. Trade Payables
6. Capital Creditors
7. Other payables

Note -34 : Financial risk management

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's financial instruments (excluding receivables from related parties) are influenced mainly by the individual characteristics of each customer. The company's exposure to credit risk is the concentration of risk from the top few customers and the demographics of the customers.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit rating
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk- foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in Indian Rupees (INR)	Cash flow forecasting Sensitivity analysis
Market risk- security prices	Investments in equity securities	Sensitivity analysis

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable .

Credit risk management

Credit risk is managed on instrument basis. For Banks and financial institutions ,only high rated banks /institutions are accepted. For other financial instruments, the company assesses and maintains an internal credit rating system. The finance function consists of a separate team who assesses and maintain internal credit rating system. Internal credit rating is performed on a company level basis for each class of financial instrument with different characteristics.



Notes forming part of Financial Statements

- VL1 : High-quality assets, negligible credit risk
VL2 : Quality assets, low credit risk
VL3 : Standard assets, moderate credit risk
VL4 : Sub-standard assets, relatively high credit risk
VL5 : Low-quality assets, very high credit risk
VL6 : Doubt full assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward- looking information. Especially the following indicators are incorporated:

1. Internal credit rating
2. External credit rating (as far as available)
3. Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet the obligation.
4. Actual or expected significant changes in the operating results of the borrower.
5. Significant increase in credit risk on other financial instruments of the same borrower
6. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.
7. Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.
8. Macro economic information (such as regulatory changes, market interest rate or growth rate) is incorporated as part of the internal rating model.

In general , it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payment within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other-economic factors.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company treasury maintains flexibility in funding by maintaining available under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves, projecting cash flows in major currencies, considering the level of liquid assets necessary , monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period :

Particulars	31st March, 2025	31st March, 2024
Floating rate		
Expiring within one year (bank overdraft and other facilities)	Nil	Nil
Expiring beyond one year (bank loans)	Nil	Nil



Notes forming part of Financial Statements

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for :

1. All non-derivative financial liabilities and
2. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

INR in 'Lakhs'

Contractual maturities of financial liabilities	Upto 1 year	1 to 3 years	3 to 5 years	5 to 9 years	Total
31st March, 2025					
Non derivatives					
Borrowings(including cash credits)	6,192.24	0.33	-	-	6,192.56
Trade payables	665.98	-	-	-	665.98
Other financial liabilities	2,163.72	-	-	-	2,163.72
Total non derivative liabilities	9,021.94	0.33	-	-	9,022.26
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Principal swap	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-
Contractual maturities of financial liabilities					
31st March, 2024					
Non derivatives					
Borrowings(including cash credits)	11,311.05	580.70	-	-	11,891.75
Trade payables	535.73	-	-	-	535.73
Other financial liabilities	2,632.89	-	-	-	2,632.89
Total non derivative liabilities	14,479.67	580.70	-	-	15,060.37
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Principal swap	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

(C) Market Risk

The company is not an active investor in equity market. It continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through other comprehensive income. Accordingly, fair value fluctuations arising from market volatility is recognised in other comprehensive income.

(i) Foreign Currency Risk

The company's exposure to foreign currency risk & Derivative financial Instruments as on 31st March, 2025

The Company don't have foreign currency exposure hence no foreign exchange forward contracts are required to hold and to mitigate the risk of foreign exchange fluctuation.



Notes forming part of Financial Statements

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long term borrowings with variable rates, which exposes the company to cash flow interest rate risk. Group policy is to maintain most of its borrowings at fixed and variable rate using interest rate swaps to achieve this when necessary.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the company's borrowing from banks and financial institutions to interest rate changes at the end of the reporting period are as follows:

Particulars	(Rs. In Lakhs)	
	31st March,2025	31st March,2024
Variable rate borrowings	5,760.17	11,415.58
Fixed rate borrowings	36.04	73.90

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss .

Profit for the period would increase/ decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

Note-35 : Capital Management

Risk management

The company's objectives when managing capital are to:

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. For relevant ratios please refer Note- 23 financial ratios.

Note -36

Nature and Purpose of Reserves Disclosed under Other Equity

Particulars	Purpose
General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 1956 with regard to Payment of dividend.
Retained Earnings	Retained Earnings contains the balance of retained earnings to carry forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet.
Securities Premium Reserve	Securities Premium Reserve has been created for issue of equity shares.
Reserve for investments at Fair value through OCI	Fair value changes of equity instruments designated at Fair value through OCI
Capital Reserve	Capital reserves includes amalgamation reserve to be used for the specified purpose as per the scheme of arrangement.



Notes forming part of Financial Statements

Note -37

Covenants of Borrowings

(i) Details of Repayment Schedule, Rate of Borrowings

Working Capital Term Loan	31st March,2025		31st March,2024	
	Repayment Tenure	Rate of Interest (p.a)	Repayment Tenure	Rate of Interest
GECL 2.0 (EXTENSION)			48 EMIs	9.25% & 9.05%

(ii) Details of Security

Particulars	Security Details
Leased assets financed	Secured by hypothecation of respective fixed or movable assets with EMIs for 36 months.
Cash Credit	Primary : Secured by Hypothecation of company's stocks of raw material, finished goods, SIP, Consumables, Stores , book debts and other current assets of the company both present & future on paripassu basis with PNB.
	Collateral Security : 1. 1st charge by way of EM over the factory land & building recorded in the name of the company. 2. Pledge of Fixed Deposits in the name of the company. Face Value Rs. 90 Lakhs (present value Rs. 136 Lakhs) , on parri-passu basis with member banks PNB. 3. 1st charge over entire fixed assets (P&M) of the company present and future 4. Personal Guarantee of Mr. Rajesh Gadodia
	5. 1st Parripasu charge alongwith PNB over Immovable properties recorded in the name of the company.

(iii) Use of Funds raised and statements submitted with Banks or Financial Institution

During the year under audit, the Company did not raise any funds from banks for working capital requirements (Previous Year: INR 1,600 Lakhs). Additionally, no funds were raised from any Non-Banking Financial Company (NBFC) for the acquisition of vehicles and heavy earth-moving equipment (Previous Year: INR 77.72 Lakhs). The funds disbursed in the previous year were utilized for their intended purposes.

The Company has borrowing from banks or financial institutions on the basis of security of current assets,it shall confirm that the quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

Note -38 :

As per the requirements of Ind AS, the company has implemented / adopted the following policies and procedures for accounting:

i Componentisation.

As per prevailing practice, company compontises fixed assets as detailed in the Invoice. It does not have a separate componetisation policy. Accordingly, components identified (as mentioned above) are also depreciated based on the useful lives prescribed under Schedule-II (of the Companies Act.) for the main asset.

The company is in the process of identification of the major components significant to the total cost of the asset accordingly necessary requirements to be complied.

ii Stores and Spares

The company on purchases of stores and spares,if it relates to an item of PPE, the same are capitalised on the date of issue, and which are issued for revenue expenditure purpose, are charged to Profit & Loss Account on the date of consumption.

Note -39 : Expected Credit Loss

On the basis of historical information and findings from analysis of the trade receivables recovery pattern, it is expected that the trade receivables within three years are realizable, not doubtful. Hence the expected credit loss is calculated on the trade receivable falling under the age group of more than 3 years. For this purpose, an expected credit loss rate is taken into account considering the historical credit loss experience and is adjusted for forward-looking information.



Notes forming part of Financial Statements

Note -40 : Auditors' Remuneration

SI No.	Particulars	INR 'Lakhs'	
		31st March, 2025	31st March, 2024
1	Statutory Audit Fees	16.50	16.50
2	Tax Audit Fees	3.50	3.50
3	Internal Audit Fees	2.00	2.00
	Total	22.00	22.00

Note -41 : Leases

Effective from April 01,2019, the company has applied Ind AS 116 "Leases". The standard is applied prospectively and the cumulative effect of applying this standard is recognised. The adoption of Ind AS 116 did not have any significant impact for the company.

Note -42 : Leasing Out of a Unit

The company has leased out, one of its undertaking having a sponge iron manufacturing facility situated in Bellary in the state of Karnataka, from the 1st day of December, 2022 On monthly rental. No other consideration is charged or received during the leasing process.

Note -43 : Corporate Social Responsibility (CSR) Activity

As per Section 135 of the Companies Act,2013 , a company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceeding 3 financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, animal welfare , healthcare,promoting Sports,drinking & sanitation and for rural development projects. A CSR committee has been performed by the company as per Act. The funds were primarily allocated to a corpus and utilised throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013 :

SI No	Particulars	INR 'Lakhs'	
		31st March, 2025	31st March, 2024
i)	Amount required to be spent by the Company during the year.	74.67	90.80
ii)	Amount of Expenditure incurred'	75.76	90.93
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous year Shortfall	-	-
v)	Reason for Shortfall	NA	NA
vi)	Unspent CSR account balance towards ongoing projects *	-	1.50
vii)	Nature of CSR activities	Promoting education, Animal welfare, healthcare,promoting of sports, drinking & sanitation and for rural development,	
viii)	Details of Related party transaction.e.g. contribution to a trust control by the Company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
ix)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision.	NA	NA

Note -44

Previous year figures have been regrouped and/or rearranged wherever necessary, confirming to current year. Figures in bracket represent previous year figure.

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Debashis Pattnaik
Partner
M.No.316339

17-May-25
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited

Ankur Madaan
Director
DIN: - 07002199

Prabir Kumar Das
Company Secretary

Praveen Kumar Patro
Director
DIN: - 02469361

Kalyan Kiran Mishra
Chief Financial Officer



Independent Auditor's Report

To the Members of Scan Steels Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Scan Steels Limited** ("the Company") and its Associates, which comprise of the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements including, a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, based on the other financial information of the associates, as referred to in the "Other Matter" Paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Associates as at March 31, 2025, and its consolidated profit including other comprehensive income, consolidated changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group, its Joint Ventures and Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have





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fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Sl.No.	Key audit Matter	Auditor's Response
1.	Application of Ind AS 115 "Revenue from Contract with Customers") involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Notes 1.5 and 1.7 to the Financial Statements.	Principal Audit Procedures Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: ▪ Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. ▪ Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.





- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures:
 - (a) Read, analyzed, and identified the distinct performance obligations in these contracts.
 - (b) Compared these performance obligations with those identified and recorded by the Company.
 - (c) Considered the terms of the contracts to determine the transaction including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
 - (d) Sample in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.
 - (e) In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation





		used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested access and change to management controls relating to these systems. (f) Sample revenues disaggregated by type and service offering were tested with the performance obligations specified in the underlying contracts. ▪ Performed analytical procedures for the reasonableness of revenues disclosed by type of service offerings. ▪ Reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over the remaining performance obligations that will be satisfied subsequent to the balance sheet date.
2	Contingent Liabilities against litigation and claims	We have obtained an understanding of the company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures: ▪ Understood and tested the design and operating effectiveness of control established by the management for obtaining all relevant information for pending litigation cases.





		▪ Discussed with the management any material developments and latest status of legal matters. ▪ Read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed various substantive procedures on calculation supporting the disclosure of contingent liabilities. ▪ Examined management's judgment and assessment those matters that are not disclosed as the probability of material outflow is considered to be remote. ▪ Reviewed the adequacy and completeness of disclosures. Based on the above procedures performed estimation and disclosure of contingent liabilities are considered to be adequate and reasonable.
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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 Management Discussion and Analysis of Board's Report including Annexures to board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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





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

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

Management's Responsibility for the Consolidated 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 presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows of the Group, its and Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group, of its Associates are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Associates for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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





The respective Board of Directors of the companies included in the Group, and its Associates, are responsible for overseeing the financial reporting process of the Group, and its Associates.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its Associates which are companies incorporated in India, has adequate internal financial controls with reference to consolidated 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 the management.





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- 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its Associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.





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

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

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

Other Matters

The consolidated financial statements also include the Group's share of net profit (after tax) of ₹ 204.71 Lakhs in respect of two associates and net loss of ₹ 4.91 Lakhs in respect of one associates entity for the year ended March 31, 2025, as considered in the consolidated financial statements, whose financial statements / financial information have not been audited by us. These financial statements / financial information are audited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such audited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement / financial information is not material to the Group. For the purpose of Consolidated Financial Statements, the parent company has incorporated share of profit/(Loss) of these associate companies based on audited accounts being prepared on applicable Ind As. The Consolidated Financial Statements of the Company for the year ended 31st March, 2024, were audited by the previous Statutory Auditor of the Company, and





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they had expressed an unmodified opinion, vide their report dated 11th May, 2024. Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements and on the other financial information of associates, as noted in "Other Matters" paragraph above, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company and its' associates so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with provision of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 consolidated financial statements – Refer **Note 26** to the consolidated financial statements.





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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. No dividend is declared or paid during the year and the previous year by the company. Hence compliance with Section 123 of the Companies Act is not applicable.
- vi. Based on our examination, which included test checks, and that performed by the respective auditors of the Company, the company and its associates have used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and





The audit trail has been preserved by the company as per the statutory requirements for the record retention.

2. "With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('the Order'/'CARO') issued by the Central Government in terms of Section 143(11) of the Act, and based on the information and explanations provided to us, we report that no qualifications or adverse remarks have been included by the auditors of the companies incorporated in the consolidated financial statements. The CARO reports for these component companies are available and have been duly considered in the preparation of this report."

Sr.No	Name of the Company	CIN	Relationship
1	RPSG AGRO COMMODITY PRIVATE LIMITED	U154900R2022PTC039159	Associate
2	SHRISTI RESORTS AND MULTIPLEX PRIVATE LIMITED	U55101WB2005PTC139892	Associate

Note: One of the associates of the company is a Limited Liability Partnership (LLP). Hence, the above requirement as laid down in the Companies (Auditor's Report) Order, 2020 is not applicable.

For Das Pattnaik & Co
Chartered Accountants
Firm Regd. No-321097E

Debashis Pattnaik
Partner
M. No:- 316339

17th day of May, 2025
Bhubaneswar
UDIN: 25316339BMJACY9960





Annexure -A to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 over financial reporting of **Scan Steels Limited** ("the Company") and its associates as of March 31, 2025 in conjunction with our audit of the consolidated 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 and its associates considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's and its associate's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, (the 'Standards') issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





DAS PATTNAIK & CO.

CHARTERED ACCOUNTANTS

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

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





DAS PATTNAIK & CO.

CHARTERED ACCOUNTANTS

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its associate's have, in all material respects, an adequate internal financial controls system over financial reporting, and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements insofar as it relates to 3 associates, is based on the corresponding standalone reports of the auditors, as applicable, of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

17th day of May, 2025
Bhubaneswar
UDIN: 25316339BMJACY9960



For Das Pattnaik & Co
Chartered Accountants
Firm Regd. No-321097E

Debashis Pattnaik
Partner
M.No:- 316339



SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai - 400057

Consolidated Balance Sheet as at 31st March' 2025

Particulars	Notes	31st March'2025	31st March'2024
		INR 'Lakhs'	INR 'Lakhs'
I. ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipments	2	26,354.95	27,925.21
(b) Capital work-in-progress	2	2,015.02	98.41
(c) Other Intangible Assets	2	0.77	1.10
(d) Financial Assets			
(i) Investments	3	2,622.17	2,889.30
(ii) Loans		-	-
(iii) Other Financial Assets	4	1,989.47	1,848.32
(e) Other non-current Assets	5(i)	2,476.29	2,299.77
(f) Deferred Tax Assets (Net)		-	-
2. Current Assets			
a. Inventories	7	16,760.69	17,555.93
b. Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	8	1,098.67	2,502.63
(iii) Cash & Bank balances	9	976.58	3,178.55
(iv) Other Financial Assets		-	-
c. Other Current Assets	5(ii)	3,627.84	2,530.33
TOTAL		57,922.45	60,829.55
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	10	5,860.23	5,235.23
b. Instruments entirely equity in nature		-	625.00
c. Other Equity	11	36,436.11	34,431.89
2. Non-Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	12(i)	0.33	580.70
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
b. Provisions		-	-
c. Deferred Tax Liabilities (Net)	6	3,462.71	3,491.33
d. Other Non-Current Liabilities		-	-
3. Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	12(ii)	6,192.24	11,311.05
(ii) Trade Payables	13		
a. Total Outstanding Dues of micro and small enterprises		32.29	11.72
b. Total Outstanding Dues of creditors other than micro and small enterprises		633.70	524.01
(iii) Other Financial Liabilities	14	2,163.72	2,632.89
b. Provisions		677.00	635.00
c. Other Current Liabilities	15	2,464.12	1,350.73
TOTAL		57,922.45	60,829.55

The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date attached

1 to 44

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Debashis Pattnaik
Partner

M.No.316339



Saturday, May 17, 2025
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited

Ankur
Ankur Madaan
Director

DIN: - 07002199

Prabir Kumar Das
Company Secretary

Praveen Kumar Patro
Director

DIN: - 02469361

Kalyan Kiran Mishra
Chief Financial Officer

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai – 400057

Consolidated Statement of Profit and Loss 31st March' 2025

Particulars	Notes	Year ended 31st March, 2025	Year ended 31st March, 2024
		INR 'Lakhs'	INR 'Lakhs'
Income			
I.Revenue from Operations	16	78,919.93	96,541.32
II.Other Incomes	17	460.89	201.73
III.Total Income		79,380.82	96,743.05
IV.Expenses			
(a)Cost of Raw Materials Consumed	18	49,728.36	64,385.85
(b)Purchases of Stock in Trade		633.49	12,578.86
(c)Change in Inventory (Increase) /Decrease	19	4,743.77	(3,933.10)
(d)Employee Benefit Expenses	20	3,746.82	3,110.98
(e)Finance Cost	21	818.55	998.70
(f)Depreciation and Amortization	2	1,569.37	1,540.20
(g)Other Expenses	22	15,531.68	15,645.63
Total Expenses		76,772.04	94,327.12
V.Profit Before exceptional and extra ordinary items and tax		2,608.78	2,415.93
Exceptional items		-	-
VI.Profit before extraordinary items and tax		2,608.78	2,415.93
VII.Share Of Profit/ (Loss) of Associates		204.71	332.15
VIII.Profit before Taxes		2,813.49	2,748.07
IX.Extraordinary items		-	-
X. Profit Before exceptional and extra ordinary items and tax		2,813.49	2,748.07
XI.Taxes Expenses			
(a)Current Tax		677.00	635.00
(b)Deferred Tax		(28.62)	(6.61)
(c) Income tax / Others for earlier years		(0.09)	14.24
Total Tax Expenses		648.29	642.63
XII.Profit (Loss) for the Year		2,165.20	2,105.44
XIII.Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss :			
(a) Changes in investments in equity shares carried at FVTOCI		(160.98)	224.80
(b) Income tax effect		-	(38.51)
(ii) Items that will be reclassified subsequently to profit or loss :			
(a) Re-measurement of defined employee benefit plans		-	-
(b) Fair Valuation of Commodity /Derivative instruments		-	-
(c) Income tax effect		-	-
XIV.Total Other comprehensive Income after tax		(160.98)	186.29
XV.Total comprehensive income for the period		2,004.22	2,291.74
XVI.Earnings per equity share:			
(1) Basic	24	3.69	4.02
(2) Diluted		3.69	4.00

The accompanying notes form an integral part of the Consolidated financial statements

1 to 44

As per our report of even date attached.

For Das Pattnaik & Co

Chartered Accountants

F. Regd. No.321097E

Debashis Pattnaik

Partner

M.No.316339

For and on behalf of the Board

Scan Steels Limited

Ankur Madaan

Director
DIN: - 07002199

Prabir Kumar Das

Company
Secretary

Praveen Kumar Patro

Director
DIN: - 02469361

Kalyan Kiran Mishra

Chief Financial Officer

Saturday, May 17, 2025
Bhubaneswar



SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Reg. Off: Office No. 104, 105, E-Square, Subhash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai - 400057

Audited Consolidated Cash Flow Statement for the Year Ended 31st March, 2025

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effect 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.

(INR' Lakhs)		
	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
(A) Operating Activities		
Profit before tax from continuing operations	2,813.49	2,748.07
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	2,813.49	2,748.07
Adjustments for		
Depreciation and Amortisation	1,569.37	1,540.20
Loss/(Gain) on Sale of Property, plant and equipment and Shares	7.79	(32.42)
Interest Income	(139.21)	(130.40)
Profit on sale of mutual Fund	(299.28)	(20.88)
Unrealised profit from Associates	(199.43)	-
Interest Paid	818.55	998.70
Allowance for Credit Loss (Exp)	8.22	3.59
(Profit)/loss on Partnership firm	10.19	0.29
Dividend Income	(0.42)	(0.27)
Other Income	(27.25)	(18.05)
<i>Operating profit / (loss) before working capital changes</i>	4,562.03	5,088.83
Working capital adjustments:		
Increase/(decrease) in Short-term Borrowings	(5,118.81)	4,020.13
Increase/(decrease) in Trade payables	130.26	(1,037.61)
Increase/(Decrease) in Other current financial liabilities	(469.17)	468.24
Increase/(decrease) in Other current liabilities	1,113.39	365.90
Decrease/(increase) in Current Investment	-	-
Decrease/(increase) in Trade receivables	1,395.75	1,759.96
Decrease/(increase) in Inventories	795.24	(1,687.89)
Decrease/(increase) in Other current assets	(1,187.42)	(215.23)
Cash generated from Operations	1,221.25	8,762.33
Income taxes paid	(521.80)	(602.21)
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	699.46	8,160.12
(B) Investing Activities		
Purchase of property, plant and equipment	(1,926.57)	(1,281.79)
Proceeds from Sale of Property, Plant and equipment	3.39	55.47
Proceeds from Sale of Investment	1,121.57	195.81
Purchase of Mutual Fund	(120.00)	(401.00)
Purchase of Equity Shares	(402.84)	(1,175.53)
Investment in Partnership Firm	-	-
Interest received (finance income)	139.21	130.40
Dividend received (finance income)	0.42	0.27
Movement in Other Non-current financial assets	(141.15)	(204.73)
Movement in Other Non-current assets	(176.52)	(290.01)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	(1,502.50)	(2,971.10)
(C) Financing Activities		
Interest paid	(818.55)	(998.70)
Proceeds / (Repayment) of Borrowings	(580.38)	(3,370.65)
Proceeds / (Repayment) of Issue Of shares	-	1,402.59
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES (C)	(1,398.93)	(2,966.76)
Net Foreign exchange difference	-	-
Net increase (decrease) in cash and cash equivalents (A+B+C)	(2,201.97)	2,222.26
Cash and cash equivalents at the beginning of the year	3,178.55	956.29
Cash and cash equivalents at year end	976.58	3,178.55

The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date attached.

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E


Debashis Pattnaik
Partner
M.No.316339



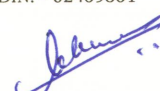
17-May-25
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited


Ankur Madaan
Director
DIN: - 07002199


Prabir Kumar Das
Company Secretary


Praveen Kr. Patro
Director
DIN: - 02469361


Kalyan Kiran Mishra
Chief Financial Officer

Notes forming part of Consolidated Financial Statements

Note -1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

M/s Scan Steels Limited is a public limited company domiciled in Maharashtra, India. The company has its listings on the BSE Limited in India. The company is engaged in manufacturing of steel products and in generation of power for captive consumption.

1.2 Basis of Preparation

(i) Compliance with Ind AS :

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention :

The financial statements have been prepared and presented on accrual basis and under the historical cost convention, except for the following:

- a) certain financial assets and liabilities and contingent consideration that is measured at fair value;
- b) Assets held for sale – measured at fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value; and share-based payments.

As the year end figures taken from the source and rounded to nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

1.3 Use of Estimates :

- (i) The preparation of the financial statements are in conformity with Indian Accounting Standards (Ind AS) that requires management to make judgment estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the end of the reporting period.
- (ii) Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.
- (iii) Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact and that are believed to be reasonable under the circumstances.

1.4 Property, Plant and Equipment, Intangible Assets and Capital Work-in-Progress

i. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) The whole of the finance charges paid on assets acquired under Hire Purchase Scheme are considered as “Unmatured finance charges” under the head “Other Current Assets” in the Balance sheet. Subsequently, at the end of the year the portion of finance charges is transferred to profit & loss account on the basis of the number of instalments due during the year.



Notes forming part of Consolidated Financial Statements

ii Depreciation methods, Estimated useful lives and Residual value

- a) Depreciation is provided on the straight line method applying the useful lives as prescribed in part C of Schedule II to the Companies Act, 2013.
- b) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets.
- c) 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.
- d) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

iii. Intangible Assets :

- a) Intangible assets are recorded at the consideration paid for acquisition of such assets and claimed at cost less accumulated amortization and impairment.
- b) **Amortisation methods and periods**
The entity amortises intangible assets with a definite useful life using the straight-line method.

iv. Capital Work-in-Progress

Capital Work-In-Progress comprises of the cost of Fixed Assets that are not yet ready for their intended use at the reporting date.

1.5 Financial Instruments

Initial Recognition

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of profit and loss.

Subsequent Recognition

i. Financial Assets

a) Measured at amortised cost:

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

b) Measured at fair value through other comprehensive income:

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

c) Measured at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition.

d) Equity instruments:

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net off direct issue cost.

Investment in quoted equity instruments are measured at fair value through other comprehensive income on the basis active bid market prices and accordingly the changes in fair value has been recognised in the retained earnings as at the date of transition and subsequently in the Other Comprehensive income.



Notes forming part of Consolidated Financial Statements

ii. Financial Liabilities

- a) Financial liabilities are measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- b) Interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Gain and losses recognised in profit and loss when the liabilities are derecognised.

iii De-Recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The entity transfers the difference between the carrying amount of Financial Liability (Bank Loan) and the consideration paid in full settlement to wave off the loan to profit and loss account.

1.6 Inventories :

Raw materials, Stores and Spares, Semi-finished Goods, Traded and Finished Goods

- a) Raw materials, components and stores & spares are valued at cost following FIFO method. Cost includes purchase price, freight, handling charges and other directly attributable costs to bring the material to its present location and are net of duties and taxes wherever applicable.
- b) Semi-finished goods, finished goods and traded goods are valued at lower of cost or Net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on average cost of production.
- c) Cost of finished goods inside the plant is exclusive of GST
- d) Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.7 Cash and Cash Equivalents :

For the purpose of presentation in the statement of financial statements, 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 twelve 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.

1.8 Contributed Equity :

- a. Equity shares are classified as equity.
- b. 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.

1.9 Borrowings :

- i. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- ii. Preference shares, which are mandatorily redeemable on a specific date, are classified as Non Current Financial Liabilities in the "Note 12 - Borrowings" .
- iii. Borrowings are withdrawn from the balance sheet when obligations specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses).
- iv. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current and if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



1.10 Trade and Other Payables :

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.11 Provisions & Contingent Liabilities:

- a. A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- c. 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. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

1.12 Income Tax :

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.
- iii. Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961.
- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are set off when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are set off where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. 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.

Notes forming part of Consolidated Financial Statements

1.13 Revenue Recognition :

- i. Revenue is measured at fair value of consideration received or receivable. Amount disclosed as revenue are net of returns, trade allowances, rebates, Goods and services tax and amounts collected on behalf of third parties.
- ii. It recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.
- iii. The company adopts the following criteria for recognizing the revenue:-
 - a) Sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.
 - b) Sale of stock in trade is recognized when the goods are dispatched to the customers.

1.14 Purchases :

Purchase of materials is recognized on dispatch of such goods by the suppliers based on certainty of receipt of such goods at the factory. It is shown net of GST credit wherever applicable.

1.15 Employee Benefits :

(i) Short-term employee benefit 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.

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Statement of Profit and loss.

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Superannuation; and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Statement of Profit and loss on accrual basis.

Gratuity and Superannuation obligations

The company has not made any provision with regard to gratuity and superannuation benefits on actuarial basis in compliance to the provisions laid in accounting standard on accounting for retirement benefits. However the company has taken a group gratuity policy with life insurance corporation of india in respect of retirement benefits of its employees, the annual premium of which is charged to the Statement of Profit and Loss.

(iii) Bonus plans

The entity recognises a liability and an expense for bonus. It recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16 Borrowing Costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

1.17 Segment Reporting :

- (i) The Company is primarily engaged in the business of manufacturing of steel.
- (ii) The company's products are dispatched from plants located at Rajgangpur (Odisha) to various parts of the country and considering the customer base which is wide spread all over the country, no such geographical differentiation can be done for presenting the information.



Notes forming part of Financial Statements

1.18 Reserves:

- (i) General Reserve: Created by transferring a portion of the net profit to meet future obligations or expansions.
- (ii) Securities Premium: Amount received in excess of the face value of shares issued. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- (iii) Capital Reserve: Represents the surplus arising from capital transactions such as forfeiture of shares, revaluation of assets, subsidies and gains on sale of fixed assets.
- (iv) Reserve for Investments at Fair Value through OCI: Comprises the cumulative gains and losses arising from changes in the fair value of equity instruments designated through OCI.
- (v) Retained Earnings: Accumulated profits after tax, adjusted for dividends, transfers to reserves, and other appropriations.

1.19 Rounding of Amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated. Also the figures of additions and/or subtractions have been rounded up/off automatically for reporting at INR in lakhs.

NOTE - 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

Contingencies

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

A. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.



Notes forming part of Consolidated Financial Statements

Note-2: Property, Plant and Equipment									
Particulars	Land #	Freehold Buildings	Furniture, Fittings and Equipment	Plant and Machinery	Total	Capital Work-in-Progress	Intangible Assets		
	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'	INR Lakhs'
Gross Carrying Amount (Deemed Cost) At 1st April, 2024	4,057.96	11,231.40	48.60	34,829.67	50,167.64	98.41	6.77		
Additions during the year	5.58	-	-	4.38	9.96	1,916.62	-		
Exchange differences	-	-	-	-	-	-	-		
Disposals/Deletions during the year	-	-	-	(107.78)	(107.78)	-	-		
Gross Carrying Amount (Deemed Cost) At 31st March, 2025	4,063.54	11,231.40	48.60	34,726.27	50,069.82	2,015.02	6.77		
Accumulated Depreciation and Impairment At 1st April, 2024	-	4,249.47	43.38	17,949.59	22,242.43	-	5.67		
Depreciation for the year	-	341.82	1.05	1,226.16	1,569.04	-	0.33		
Disposals/Deletions during the year	-	-	-	(96.60)	(96.60)	-	-		
Accumulated Depreciation and Impairment At 31st March, 2025	-	4,591.29	44.43	19,079.15	23,714.87	-	6.01		
Net Book Value									
At 31st March, 2025	4,063.54	6,640.12	4.17	15,647.12	26,354.95	2,015.02	0.77		
At 31st March, 2024	4,057.96	6,981.94	5.22	16,880.09	27,925.21	98.41	1.10		
Depreciation and Amortization During the Current Year	-	341.82	1.05	1,226.16	1,569.04	-	0.33		
During the Previous Year	-	338.45	1.06	1,200.50	1,540.01	-	0.19		
Net Book Value				As at 31st March '2025	As at 31st March '2024				
Property, Plant and Equipment				INR Lakhs'	INR Lakhs'				
Capital Work-in-progress				26,354.95	27,925.21				
Intangible Assets				2,015.02	98.41				
				0.77	1.10				
Aging of Capital Work in Progress : Aging Schedule for the year ended									
Capital Work in Progress (CWIP)				Amount of CWIP/LAund for a period of			Total		
							Less than 1 year	2-3 years	More than 3 years
Projects in Progress (as at 31st March, 2025)				1,916.62	96.23	2.17	-	-	2,015.02
As at 31st March 2024				96.23	2.17	-	-	-	98.41
# a) Freehold land of 7.68 Acres situated in Village Raiberna and Laing, Sundergarh, Odisha of which a valid registered sale deed is in the name of M/s. Shristi Ispat Limited, the company which was merged in to this company during 2005.									
# b) Land of 24.820 Acres occupied by the company situated in Village-Kudithini, Bellary, Karnataka, on long term lease basis.									
# c) Land of 7.95 Acres occupied, by the company situated in Village-Raiberna and Laing, Sundergarh, Odisha, which is in the name of one of the relative of Key Managerial Personnel, on long term lease basis, subsequently registered sale deed has been executed with the company.									
# d) Land area of Ac 5.000 dec and Ac 1.780 dec aggregating area Ac 6.780 dec occupied, by the company situated in Village-Laing & Rajgangpur, Sundergarh, Odisha, on long term lease basis. These lease deed has been executed between the Governor of Odisha represented by the Collector, Sundergarh and the company M/s Shristi Ispat Limited (subsequently merged in to this company during the year 2005).									
# e) Land of 40.780 Acres occupied by the company situated in Village-Dhamakpur, Laing, Budhakata and Baibai on short-term lease basis. Hence the company has									



Notes forming part of Consolidated Financial Statements

Note-3:Investments			
Particulars		As at	As at
		31st March '2025	31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
A. Investments carried at fair value through OCI (FVOCI)			
I. Investment in Equity Instrument (Fully Paid up)			
a. Quoted Shares		36.03	5.75
II.Investment in Mutual Fund (Mark to Market)		193.13	1,056.53
III. Investment In Partnership Firm *		189.52	194.43
B. Investments Carried at Cost			
Unquoted Shares			
I. Investment In Other Body Corp.		822.81	451.33
II. Investment In Associates - Body Corp.		1,380.68	1,181.25
Total		2,622.17	2,889.30
Aggregate cost price of quoted shares		42.71	10.68
* Investment in partnership firm shown as adjusted figure of partners' current account balance.			
A. Investments carried at fair value through OCI (FVOCI) (fully paid)			
I. Investment in Equity Instrument (Fully paid up)			
a. Quoted Shares			
Nil nos equity shares of Globus Corporation Limited. (31st March,2024:369481 Nos)		-	1.29
31474 nos equity shares of PFL Infotech Ltd. (31st March,2024:31474 Nos)		3.00	1.30
55449 nos equity shares of Polytex India Limited. (31st March,2024:55449 Nos)		3.23	2.89
Nil nos equity shares of Voltas Limited. (31st March,2024: 20 nos.)		-	0.27
1400 nos equity shares of INOXWIND. (31st March,2024: nill)		2.22	-
5000 nos equity shares of NETWORK NSE (31st March,2024: nill)		2.25	-
700 nos equity shares of NTPC. (31st March,2024: nill)		2.53	-
750 nos equity shares of Hindustan Zinc. (31st March,2024: nill)		3.36	-
400 nos equity shares of DLF (31st March,2024: nill)		2.75	-
590 nos equity shares of EPACK (31st March,2024: nill)		2.07	-
20000 nos equity shares of JP POWER (31st March,2024: nill)		2.90	-
600 nos equity shares of JSWENERGY (31st March,2024: nill)		3.29	-
60 nos equity shares of NUVAMA (31st March,2024: nill)		3.64	-
3500 nos equity shares of SPICEJET LTD (31st March,2024: nill)		1.58	-
480 nos equity shares of TATA MOTORS (31st March,2024: nill)		3.21	-
Sub-Total		36.03	5.75
III. Investment In Partnership Firm			
RAR Ispat LLP		189.52	194.43
As the company Scan Steels Ltd. is one of the Partner having 50% share of profit/(loss) and the original share of Capital Contribution is Rs. 200 lakhs			
B. Investments Carried at Cost			
Unquoted Shares			
I. Investment In Other Body Corp.			
4360 nos equity shares of Millenium Cybertech Limited. (31st March,2024:4360 Nos)		0.05	0.05
25363 nos equity shares of Matra Realty Limited. (31st March,2024:25363 Nos)		0.08	0.08
369481 nos equity shares of Globus Corporation Limited. (31st March,2024: Nil Nos)		0.48	-
41,54,000 nos of Equity Shares Rs. 10/- each of Karma Re-Rollers Private limited. (31st March,2024:15,04,000 Nos)		822.20	451.20
Sub-Total		822.81	451.33



II. Investment In Associates - Body Corp.			
3001500 nos of equity shares at face value of Rs 10/- each			
RPSG Agro Commodity Pvt. Ltd.		815.35	634.13
(31st March,2024: 3001500 nos)			
1707699 nos of equity shares at face value of Rs 10/- each			
Shrishti Resorts & Multiplex Pvt. Ltd.		565.34	547.12
(31st March,2024: 1707699 nos)			
Sub-Total		1,380.68	1,181.25
Note-4: Other Financial Assets			
Particulars		As at31st March '2025	As at31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
Security Deposits		1,713.70	1,564.79
Other bank balances*		275.77	283.53
Sub-Total		1,989.47	1,848.32
*Details of other balances with banks			
Other bank balances consist of the following:			
Earmarked Balances with Banks			
Term Deposits with Bank		67.61	90.32
Margin money,guarantee and security with banks		196.00	150.00
Accrued Interest on Fixed Deposits & Others		12.16	43.21
Total		275.77	283.53
*The margin money in form of fixed deposits (kept for more than 12 months) earmarked for issuing Bank Guarantee.Fixed deposits face value of INR 196 lakhs (PY 150 lakhs) held as collateral security with lead bank State Bank of India on behalf of consortium member banks.			
Note-5 :Other Assets			
Particulars		As at31st March '2025	As at31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
(i)Non-Current			
Advance against Property		1,881.79	1,621.74
Other Long term Loan & Advances		162.02	246.22
Balances with Government Authorities		432.45	429.59
Unmatured Financial Charges		0.04	2.23
Sub-Total		2,476.29	2,299.77
(ii)Current			
Advance to Suppliers		1,779.28	624.41
Advance for Expenses & others		406.73	424.72
Balances with Government Authorities		1,379.92	1,420.97
Prepaid Expenses		59.71	54.07
Unmatured Financial Charges		2.19	6.16
Sub-Total		3,627.84	2,530.33
Total		6,104.13	4,830.10
Note-6 :Deferred tax assets/(liabilities)(net)			
Particulars		As at31st March '2025	As at31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
(i) Opening balance		(3,491.33)	(3,497.95)
(ii) Closing balance			
Property,Plant and Equipment and Intangible Assets		(3,462.71)	(3,491.33)
Allowance/Disallowances of expenses		-	-
(iii) Transfer to Statement of profit and loss(ii-i)		28.62	6.61
Note-7: Inventories			
Particulars		As at31st March '2025	As at31st March '2024
		INR 'Lakhs'	INR 'Lakhs'
Raw Materials		14,297.34	10,248.10
Semi-finished goods		75.01	237.61
Finished Goods-Manufacturing		1,981.10	6,549.70
Stock-in-trade		9.28	21.84
Stores,spares and consumables		397.97	498.68
Total		16,760.69	17,555.93



Note 8 :Trade Receivables							
Particulars		As at31st March		As at31st March			
		'2025	'2024	'2025	'2024		
		INR 'Lakhs'		INR 'Lakhs'			
Unsecured,considered good							
Debtors More than Six Months			298.20		183.00		
Others			821.76		2,332.71		
Total			1,119.96		2,515.71		
Less: Allowances for Credit Loss (Note-39)			21.29		13.08		
Total			1,098.67		2,502.63		
No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner or a director. The amount due from firms / private companies as mentioned above are to the tune of current Year INR Nil, Prev Year INR Nil.							
Trade receivables are non-interest bearing and are generally on terms of 15 to 20 days.							
Trade Receivables aging schedule for the year ended as on March,31 2025 and March,31 2024							
Outstanding for following periods from due date of payment							
Particulars	Not Due	Less than 6 months	6 Months-1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables-considered good	-	821.76	158.53	18.74	14.47	64.87	1,078.37
As at 31st March , 2024	-	2,294.79	37.93	69.24	48.37	23.79	2,474.12
Undisputed trade Receivables-credit impaired	-	-	-	-	-	41.59	41.59
As at 31st March , 2024	-	-	-	-	-	41.59	41.59
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
As at 31st March , 2024	-	-	-	-	-	-	-
Total Trade Receivables	-	821.76	158.53	18.74	14.47	106.47	1,119.96
Less: Allowances for Credit Loss	-	-	-	-	-	21.29	21.29
Net Trade Receivables as at 31st March , 2025		821.76	158.53	18.74	14.47	85.17	1,098.67
As at 31st March , 2024	-	2,294.79	37.93	69.24	48.37	65.38	2,515.71
Less: Allowances for Credit Loss	-	-	-	-	-	13.08	13.08
Net Trade Receivables 31st March , 2024		2,294.79	37.93	69.24	48.37	52.31	2,502.63
Note-9: Cash and Bank Balances							
Particulars		As at31st March		As at31st March			
		'2025	'2024	'2025	'2024		
		INR 'Lakhs'		INR 'Lakhs'			
Balances with banks							
In Current Accounts			610.84		2,162.43		
Cheque In hand*			-		579.00		
In Deposits Accounts			275.77		283.53		
Cash on Hand			365.74		437.12		
Sub Total			1,252.35		3,462.08		
Less:Balances with bank other than above(Note-4)			(275.77)		(283.53)		
Total			976.58		3,178.55		
*As at the current balance sheet date, there are no post-dated cheques in hand towards consideration for sale of land. In the previous year i.e. 2023-24, such cheque amounted to INR 579.00 lakhs.							



Note-10:Equity

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'

A. Equity Share Capital**Authorised**

(i) 777.5 lakhs Nos of Equity shares of 10/- each (P.Y: 715 lakhs Nos of Equity shares of 10/- each)	7,775.00	7,150.00
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B. Preference Share Capital**Authorised**

(i) 87.50 lakhs Nos of Non-cumulative Redeemable Preference shares of 10/- each (P.Y:87.50 lakhs Nos of Non-cumulative Redeemable Preference of shares of 10/- each)	875.00	875.00
(ii) NIL Nos of Non-cumulative Optionally Convertible Redeemable Preference shares of nil/- each (P.Y: 62.50 lakhs Nos of Non-cumulative Optionally Convertible Redeemable Preference shares of 10/- each)	-	625.00
Total	8,650.00	8,650.00

1.Issued, Subscribed and Paid Up**(a) Equity Share Capital**

(i) 586.02 lakhs Nos of Equity shares of 10/- each (P.Y: 523.52 lakhs Nos of Equity shares of 10/- each)	5,860.23	5,235.23
Total	5,860.23	5,235.23

*During the financial year, the Company has effected the conversion of 62.50 lakh Optionally Convertible Redeemable Preference Shares (OCRPS) into equity shares of ₹10 each, pursuant to the terms of issue.

(b) Instruments entirely equity in nature

(i) NIL Nos of Non-cumulative Optionally Convertible Redeemable Preference shares(OCRPS) of 10/- each (P.Y: 62.50 lakhs Nos of Non-cumulative Optionally Convertible Redeemable Preference shares(OCRPS) of 10/- each)	-	625.00
Total	-	625.00

i) Reconciliation of number of equity shares are set out below:

a) Shares outstanding at the beginning of the financial year.	523.52	523.52
b) Issued during the year	62.50	-
Shares outstanding at the end of the financial year	586.02	523.52

ii) Reconciliation of Instruments entirely equity in nature (OCRPS) are set out below:

a) Shares outstanding at the beginning of the financial year.	62.50	-
b) Issued during the year	-	62.50
c) Converted into Equity Share.	(62.50)	-
Shares outstanding at the end of the financial year	-	62.50

c) Details of Shareholders holding more than 5% of Equity shares

Name of the Shareholders	No.of Shares	% held	No.of Shares	% held
i) Rajesh Gadodia	54.63	9.32%	54.63	10.44%
ii) Archana Gadodia	47.71	8.14%	47.71	9.11%
iii)Artline Commerce Pvt Ltd	95.67	16.33%	95.67	18.27%
iv) Bayanwala Brothers (p) Limited	87.73	14.97%	53.84	10.28%
v) Gopikar Supply Pvt Ltd.	34.31	5.85%	20.00	3.82%

The Company has a single class of Equity shares. Accordingly ,all equity shares rank equally with regard to dividend and share in the company's residual assets.



d) Details of Promoters' Holding on Equity Share Capital

Name of the Promoters'	As at 31st March '2025		As at 31st March '2024		Change during the year	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
i) Rajesh Gadodia	54.63	9.32%	54.63	10.44%	-	-1.11%
ii) Archana Gadodia	47.71	8.14%	47.71	9.11%	-	-0.97%
iii) Artline Commerce Pvt Ltd	95.67	16.33%	95.67	18.27%	-	-1.95%
iv) Bayanwala Brothers (p) Limited	87.73	14.97%	53.84	10.28%	33.90	4.69%
v) Gopikar Supply Pvt Ltd.	34.31	5.85%	-	-	14.31	5.85%
Total	320.06	54.6%	251.85	48%		



Note - 11 : Other Equity

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
a.General Reserve		
Opening Balance	1,344.12	1,344.12
Add:-Additions during the year		
Subtotal	1,344.12	1,344.12
b.Securities Premium		
Opening Balance	20,642.42	19,864.84
Add:-Additions during the year	-	3,783.13
Less:-On Redemption of Preference Share during the year	-	(3,005.54)
Subtotal	20,642.42	20,642.42
c. Capital Reserve		
Opening Balance	554.73	554.73
Add:-Additions during the year	-	-
Subtotal	554.73	554.73
d. Reserve for investments at Fair Value through OCI		
Opening Balance	176.85	(9.44)
Add: Net fair value gain/(loss) on investments during the period	(160.98)	224.80
Less : Income Tax Provision On OCI	-	(38.51)
Subtotal	15.87	176.85
e. Retained Earnings		
Opening Balance	11,713.77	9,608.32
Add: Profit/(Loss) during the year	2,165.20	2,105.44
Subtotal	13,878.97	11,713.77
Total	36,436.11	34,431.89



Scan Steels Limited

CIN- L27209MH1994PLC076015

STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

i) Current reporting period As at 31 March, 2025

Balance at the beginning of the current reporting period			Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23		-	-	523.52	5,235.23	62.50	625.00	586.02	5,860.23

ii) Previous reporting period As at 31 March, 2024

Balance at the beginning of the current reporting period			Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23		-	-	523.52	5,235.23	-	-	523.52	5,235.23

b. Any other instrument entirely equity in nature- Non cumulative Optionally Convertible Redeemable Preference Shares(OCRPS)

i) Current reporting period As at 31 March, 2025

Balance at the beginning of the current reporting period			Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
62.50	625.00		-	-	62.50	625.00	(62.50)	(625.00)	-	-

ii) Previous reporting period As at 31 March, 2024

Balance at the beginning of the current reporting period			Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year		Balance at the end of the current reporting period	
Nos. of Shares	Amount INR' Lakhs		Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
-	625.00		-	-	-	625.00	62.50	-	62.50	625.00



SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Statement of Changes in Equity for the year ended 31st March , 2025

Particulars	Attributable to owners of Scan Steels Limited							Amount INR' Lakhs'	
	Equity component of compound financial instruments	Reserves and surplus			Other reserves			Reserves for Commodity Derivatives	Total Other Equity
		General Reserves	Securities Premium	Retained Earnings	Capital Reserves	FVOCI- equity investments			
Balance at 1st April 2024	-	1,344.12	20,642.42	11,713.77	554.73	176.85	-	-	34,431.89
Profit for the year	-	-	-	2,165.20	-	-	-	-	2,165.20
Other comprehensive income	-	-	-	-	-	(160.98)	-	-	(160.98)
Less : Income Tax Provision On OCI	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	1,344.12	20,642.42	13,878.97	554.73	15.87	-	-	36,436.12
Deferred hedging gains/(losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-
Balance at 31st March 2025	-	1,344.12	20,642.42	13,878.97	554.73	15.87	-	-	36,436.12

For Das Pattnaik & Co
Chartered Accountants

F. Regd. No.321097E

Debashis Pattnaik

Partner

M.No.316339



Bhubaneswar
17-May-25

For and on behalf of the Board
Scan Steels Limited

Ankur
Ankur Madaan

Director

DIN: - 07002199

Prabir Kumar Das
Company Secretary

Praveen Kumar Patro
Director

DIN: - 02469361

Kalyan Kiran Mishra
Chief Financial Officer

SCAN STEELS LIMITED

CIN- L27209MH1994PLC076015

Statement of Changes in Equity for the year ended 31st March , 2024

Particulars	Attributable to owners of Scan Steels Limited							Amount INR' Lakhs	
	Equity component of compound financial instruments	Reserves and surplus			Other reserves			Total Other Equity	
		General Reserves	Securities Premium	Retained Earnings	Capital Reserves	FVOCI- equity investments	Reserves for Commodity Derivatives		
Balance at 1st April 2023	-	1,344.12	19,864.84	9,608.32	554.73	(9.44)	-	31,362.57	
Profit for the year / Adjustment	-	-	3,783.13	2,105.44	-	224.80	-	6,113.37	
Other comprehensive income / Adjustment	-	-	(3,005.54)	-	-	(38.51)	-	(3,044.05)	
Total comprehensive income for the year	-	1,344.12	20,642.42	11,713.77	554.73	176.85	-	34,431.89	
Deferred hedging gains/(losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	-	-	-	-	
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-	
Issue of equity shares	-	-	-	-	-	-	-	-	
Dividends paid	-	-	-	-	-	-	-	-	
Other adjustments	-	-	-	-	-	-	-	-	
Balance at 31st March 2024	-	1,344.12	20,642.42	11,713.77	554.73	176.85	-	34,431.89	

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Debashis Pattnaik
Partner
M.No.316339

Bhubaneswar



For and on behalf of the Board
Scan Steels Limited

Ankur Madaan
Director
DIN: - 07002199

Prabir Kumar Das

Praveen Kumar Patro
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Kalyan Kiran Mishra

Scan Steels Limited

CIN- L27209MH1994PLC076015

STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

i) Current reporting period As at 31 March, 2025

Amount INR' Lakhs'				Amount INR' Lakhs'			
Balance at the beginning of the current reporting period		Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year	
Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23	-	-	523.52	5,235.23	62.50	625.00
						586.02	5,860.23

ii) Previous reporting period As at 31 March, 2024

Amount INR' Lakhs'				Amount INR' Lakhs'			
Balance at the beginning of the current reporting period		Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year	
Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
523.52	5,235.23	-	-	523.52	5,235.23	-	-
						523.52	5,235.23

b. Any other instrument entirely equity in nature- Non cumulative Optionally Convertible Redeemable Preference Shares(OCRPS)

i) Current reporting period As at 31 March, 2025

Amount INR' Lakhs'				Amount INR' Lakhs'			
Balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year	
Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
62.50	625.00	-	-	62.50	625.00	(62.50)	(625.00)
						-	-

ii) Previous reporting period As at 31 March, 2024

Amount INR' Lakhs'				Amount INR' Lakhs'			
Balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in [Instrument-OCRPS] during the current year	
Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs	Nos. of Shares	Amount INR' Lakhs
-	625.00	-	-	-	625.00	62.50	-
						62.50	625.00



Note-12 : Borrowings							
Particulars		As at31st March '2025	As at31st March '2024				
		INR 'Lakhs'	INR 'Lakhs'				
Borrowings consists of the followings							
(i)Non-Current Borrowings							
A. Secured Loan							
(a) Term Loan From Banks		-	544.67				
(b) Financial Lease Obligations		0.33	36.04				
Total non-current borrowings		0.33	580.70				
(ii)Current Borrowings							
Current maturities of long term debt		-	198.36				
Preference Share1%**		396.36	396.36				
Current maturities of finance lease obligations		35.71	37.86				
Interest accrued and due on borrowings		-	5.92				
Cash Credit from Banks		5,760.17	10,672.55				
Total current borrowings		6,192.24	11,311.05				
Grand Total		6,192.56	11,891.75				
* The Board of Directors are in the opinion to convert 17.66 Lakhs numbers Optionally Convertible Redeemable Preference Shares (OCRPS) to 17.66 Lakhs nos. Equity shares (Ranking with term Paripassu to the existing equity shares) for a face value of Rs. 10/- each at a security premium of Rs. 60.53 per share. Previous Year:- The Board of Directors are in the opinion that, the company shall issue 17.66 Lakhs Optionally Convertible Redeemable Preference Shares (OCRPS) on preferential allotment basis, to the existing Non-convertible Redeemable Preference shares (NCRPS) holders on redemption of balance portion 28.31 lakhs nos. of NCRPS @ Rs. 44/- each, of the said shares, for a face value of Rs. 10/- each at a security premium of Rs. 60.53 per share. Hence, this is being treated under current borrowings.							
Note-13: Trade Payables							
Particulars		As at31st March '2025	As at31st March '2024				
		INR 'Lakhs'	INR 'Lakhs'				
Payable to MSME		32.29	11.72				
Payable to Others		633.70	524.01				
Total		665.98	535.73				
There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises.							
Trade Payables aging schedule for the year ended as on March,31 2025 and March,31 2024							
Particulars		Outstanding for following periods from due date of payment					
		Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Outstanding dues to MSME							
As at 31st March , 2025		-	32.29				32.29
As at 31st March , 2024		-	11.72	-	-	-	11.72
Outstanding dues to Others							
As at 31st March , 2025		-	633.70	-	-	-	633.70
As at 31st March , 2024		-	524.01	-	-	-	524.01
Total Trade Payables							
As at 31st March , 2025		-	665.98	-	-	-	665.98
As at 31st March , 2024		-	535.73	-	-	-	535.73
Note-14: Other financial liabilities							
Particulars		As at31st March '2025	As at31st March '2024				
		INR 'Lakhs'	INR 'Lakhs'				
Liabilities for Expenses		2,163.72	2,632.89				
Total		2,163.72	2,632.89				
Note-15: Other Current Liabilities							
Particulars		As at31st March '2025	As at31st March '2024				
		INR 'Lakhs'	INR 'Lakhs'				
Income Received in Advance		1,605.71	707.32				
Statutory Dues Payable		858.41	643.41				
Total		2,464.12	1,350.73				



Note-16 : Revenue from Operations

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Sale of Products	78,503.26	96,142.41
Sale of Services	416.67	398.92
Total	78,919.93	96,541.32

1. Sale of products and services are mentioned exclusive of GST.

2. Sale Of Products Includes Sale Of Traded Steel Products INR 656.76 Lakhs (Prev Year INR 12,850.403 Lakhs)

Note-17 : Other Incomes

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Interest Income	139.21	145.53
Profit / (Loss) on Sale Of Mutual Fund	299.28	20.88
Profit on sale of Fixed Assets	-	32.42
Dividend Income	0.42	0.27
Other Income	21.98	2.63
Total	460.89	201.72

Note-18 : Cost of Raw Material Consumed

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Raw material and components consumed		
Opening Stock	10,248.10	12,101.52
Add:Purchased during the year *	53,842.32	62,564.88
Less:Stock used for fixed Assets**	64.71	32.46
Less:Closing Stock	14,297.34	10,248.10
Total	49,728.36	64,385.85

*Purchases includes material cost , expenses & other costs which are directly attributable to procurement

* * Stock used for Fixed assets valued at cost of goods sold and GST reversal considered

Note-19 : Change in Inventories-(Increase)/Decrease

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Opening Stock		
Semi-Finished Goods	237.61	136.16
Finished Goods-Manufacturing	6,549.70	2,640.44
Stock In Trade	21.84	99.45
Sub-Total(A)	6,809.15	2,876.05
Less:- Closing Stock		
Semi-Finished Goods	75.01	237.61
Finished Goods-Manufacturing	1,981.10	6,549.70
Stock In Trade	9.28	21.84
Sub-Total(C)	2,065.38	6,809.15
Total(A-B-C)	4,743.77	(3,933.10)



Note-20 : Employee Benefit Expenses

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Salaries,wages and bonus	3,344.27	2,827.65
Staff Welfare	23.61	6.49
Contribution to provident and other funds	378.95	276.83
Total	3,746.82	3,110.98

Note-21 : Finance Cost

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Interest on Debts & Borrowings	812.21	943.96
Interest on finance lease obligations	6.16	9.31
Interest on Unsecured loans & Others	0.18	45.43
Total	818.55	998.70

Note-22 : Other Expenses

Particulars	As at 31st March '2025	As at 31st March '2024
	INR 'Lakhs'	INR 'Lakhs'
Consumption of stores and spares *	3,650.58	3,814.36
CSR Expenses	75.76	90.93
Power and fuel	9,546.96	9,967.35
Loss on sale of Fixed Assets	7.79	-
Water charges	54.46	51.58
Operational Expenses	857.84	542.21
Selling & Distribution expenses	21.19	38.68
Security Service Charges	35.18	21.25
Rent,Rates and taxes	299.69	258.47
Insurance	52.23	54.31
Bank Charges	41.46	47.27
Repair & Maintenance	218.43	179.81
Advertising and Sales promotion	207.80	242.73
Professional & Consultancy fees	236.64	259.97
Communication costs	8.74	7.16
Remuneration to Auditors	22.00	22.00
Allowances for Credit Loss	8.22	3.59
Loss In Partnership Firm	10.19	0.29
General expenses	176.50	43.67
Total	15,531.68	15,645.63

* Consumption of Stores and Spares includes Imported material of INR Nil (Prev year INR Nil)



Notes forming part of Financial Statements

Note-23 : Financial Ratios

Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance
Current Ratio	Current Assets	Current Liabilities	1.82	1.55	17.28%
Debt Equity Ratio #1	Total Debt*	Shareholders' Equity	0.15	0.30	-51.16%
Debt Service Coverage Ratio (in times) #2	Earnings available for Debt service (**)	Debt Service ***	10.54	7.29	44.54%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder' Equity	5.12%	5.31%	-3.55%
Inventory Turnover Ratio (in days) #3	Average Inventory	Revenue from Operation	80	63	26.98%
Trade Receivables Turnover Ratio (in days) #4	Average trade receivable	Revenue	8	13	-38.46%
Trade Payables Turnover Ratio (in days)	Average trade payable	Purchase of Goods and services.	4	5	-20.00%
Net Capital Turnover Ratio (in times) #5	Revenue	Working Capital	7.71	10.40	-25.90%
Net Profit Ratio #6	Net Profit	Revenue	2.73%	2.18%	25.33%
Return on Capital employed (ROCE)	Earnings before interest and taxes	Capital Employed****	7.94%	8.57%	-7.34%
Return on Investment (ROI)					
(a) Unquoted	Income Generated from Investment	Weighted average investment	-	-	
(b) Quoted #7	Income Generated from Investment	Weighted average investment	2.32%	5.14%	-54.78%

* Debt represent Non Current and Current Borrowings.

** Net profit after taxes + non cash operating expenses+ interest+other adjustment like loss on sale of Fixed assets etc.

*** Principal repayment componet of non current Borrowing.

**** Tangible networth + Deferred tax liabilities+ non current borrowings.

#1 Debt Equity Ratio decreased by 51.06% due to repayment of long-term borrowings and infusion of equity capital.

#2 Debt Service Coverage ratio is improved by 44.54% due to prompt payment of loan, reduced finance cost and increase in net profit.

#3 Inventory Turnover Ratio increased by 26.98% resulting from improved inventory management and higher sales volume.

#4 Trade Receivables Turnover Ratio declined by 38.46% due to delayed collections from customers.

#5 Net Capital Turnover Ratio declined by 25.90% wing to increased working capital requirements and higher current asset levels.

#6 Net Profit Ratio increased by 25.33% as a result of improved operational efficiency and cost optimization measures.

#7 Return on Investment (ROI) declined by 54.78% due to increase in the capital investments for which return has yet to be realised.



Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note -24 : Earnings Per Share(EPS)

Sl. No	Particulars	31st March 2025	31st March 2024
a)	Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (Rs Lakhs)	2,165.20	2,105.44
b)	Weighted Average number of equity shares used as denominator for calculating Basic EPS	586.02	523.52
c)	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	586.02	525.91
d)	Face Value per Equity Share (INR in Rupees)	10.00	10.00
e)	Basic Earnings per share (INR in Rupees) (a/b)	3.69	4.02
f)	Diluted Earnings per share (INR in Rupees) (a/c)	3.69	4.00

Note -25 : Foreign Currency Transactions

Sl.No	Particulars	31st March 2025	31st March 2024
i)	USD Outgo	-	-
ii)	INR in 'Lakhs'	-	-
iii)	Amount of Exchange differences debited/(credited) to profit or loss (in Lakhs)	-	-

Note - 26 : Contingent Liabilities

Sl.No	Particulars	31st March 2025	31st March 2024
i.	Estimated amount of contracts remaining to be executed on capital accounts and not provided for.	Nil	Nil
ii.	Claims against the Company not acknowledged as debts (Net of payment):		
	a) Central Sales Tax	13.35	13.35
	b) OVAT/OST	1,527.79	1,528.64
	c) Orissa Entry tax	373.95	357.62
	d) Customs duty	111.58	111.58
	e) Income Tax	42.19	46.00
iii	Bank Guarantees	193.38	174.43
iv.	NMET	6.28	6.28
	However as per management perception, the above liabilities will not devolve upon the company in future.		

Note -27 : Registration of Charges or Satisfaction

The Company has filed, respective forms before Registrar of Companies related to creation of charges and satisfaction of charges in relation to loan availed from banks and financial institutions, timely manner within a statutory period prescribed under Companies Act' 2013.

Note-28 :Relationship with struck off companies

Name of the struck off company	Nature of transactions with struck off company	31st March 2025		31st March 2024	
		Balance outstanding as at current period	Relationship with the struck off company	Balance outstanding as at previous period	Relationship with the struck off company
NA	Investment in securities	-	NA	-	NA
NA	Receivables	-	NA	-	NA
NA	Payables	-	NA	-	NA
NA	Shares held by struck off Company	-	NA	-	NA
NA	Other outstanding balances (specify)	-	NA	-	NA

Note-29 : Additional Disclosures As per Ind AS 108 "Operating Segments "

Extent of Reliance on Major Customers

Extent of Reliance on Major Customers of the company can be depicted by assessing their sales chunk compared to total revenue of the operation. The percentage of group of major customer to its total revenue is as below :

Particulars	% of Total Revenues	
	31st March 2025	31st March 2024
One Customer	3.94%	11.27%



Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note -30 : Related Party Disclosure as per Ind AS 24

(I) List of Related Parties

Sl. No	Name	Designation
i)	Mr. Rajesh Gadodia	Promoter- Non Executive Chairman
Key Managerial Personnel		
i)	Mr. Ankur Madaan	Whole-Time Director
ii)	Mr. Praveen Kumar Patro	Executive Director
iii)	Mr. Gobinda Chandra Nayak	Former Chief Financial Officer
iv)	Mr. Kalyan Kiran Mishra	Chief Financial Officer

The Company Secretary has not been considered as related party as he is not having the authority and responsibility for planning, directing and controlling the executive decision of the entity, directly or indirectly. This is in line with Ind AS 24, "Related party transactions".

Related Parties and Close Family Members of Promoter Director.

Sl. No	Name	Relationships
i)	Mrs. Archana Gadodia	Promoter- Relative of Promoter
ii)	Mr. Nimish Gadodia	Relative of Promoter
iii)	Artline Commerce Private Limited	Promoter Company
iv)	Bayanwala Brothers Private Limited	Promoter Company
v)	Shrishti Trading Corporation Private Limited	Promoter having significant influence
vi)	Karma Re-Rollers Private Limited	Promoter having significant influence
vii)	Scan Energy and Power Limited	Relative of Promoter is a Director
viii)	Nav Durga Fuel Private Limited	Relative of Promoter is a Director
ix)	Rourkela Sponge LLP	Relative of Promoter is a Partner

List of Associate Entities

Sl. No	Name	Relationships
i)	RPSG Agro Commodity Pvt. Ltd	Associate Company
ii)	Shristi Resorts & Multiplex Pvt Ltd	Associate Company
iii)	RAR Ispat LLP	Associate Firm, Company is one of the Partner

None of the close members of all Key managerial Personnel are considered as Related Party in accordance with Ind AS 24 considering the fact that they are neither participating nor influencing executive decision making of the company.



Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

(II) Related Party transactions

Sl. No	Particulars	Promoter & Relative of Promoter	Promoter Company	Associate Company/Firm	Promoter having significant influence	Relative of Promoter is a Director	KMP
a)	Purchase of goods	-	-	-	1,760.63	379.48	-
	Previous Year : as at 31st March, 2024	-	-	43.34	3,669.69	2,373.96	-
b)	Sale of Goods	-	-	21.85	3,396.88	-	-
	Previous Year : as at 31st March, 2024	-	-	-	12,376.58	-	-
c)	Interest expenses recognised	-	6.16	-	-	-	-
	Previous Year : as at 31st March, 2024	-	9.31	-	-	-	-
d)	Services received	223.56	22.78	318.38	-	-	-
	Previous Year : as at 31st March, 2024	219.60	36.59	72.33	-	-	-
e)	Services rendered	-	-	-	92.67	-	-
	Previous Year : as at 31st March, 2024	-	-	-	74.92	-	-
f)	Remuneration to Key Managerial Personnel						44.63
	Previous Year : as at 31st March, 2024						39.23
g)	Director Sitting Fees	0.14					
	Previous Year : as at 31st March, 2024	0.10					
h)	Leasing out Income-Plant & Machinery)	-	-	-	-	324.00	-
	Previous Year : as at 31st March, 2024	-	-	-	-	324.00	-
i)	Sale of Movable Property / Immovable Property	-	-	-	-	-	-
	Previous Year : as at 31st March, 2024	-	-	20.00	-	-	-
	Loan Taken	-	-	-	-	-	-
j)	Previous Year : as at 31st March, 2024	-	77.72	-	-	-	-



Notes forming part of Financial Statements							
(All amounts in INR Lakhs, unless otherwise stated)							
Sl. No	Particulars	Promoter & Relative of Promoter	Promoter Company	Associate Company/Firm	Promoter having significant influence	Relative of Promoter is a Director	KMP
k)	Outstanding loans and payables:						
i)	Finance Lease Obligations		36.04				
	Previous Year : as at 31st March,2024		73.90				
ii)	Directors Remuneration / Salary Payable	-	-	-	-	-	2.36
	Previous Year : as at 31st March,2024	-	-	-	-	-	1.82
iii)	Other Payable	-	-	-	-	156.85	-
	Previous Year : as at 31st March,2024	-	-	-	-	87.59	-
iv)	Service Payable	-	5.04	24.74	0.51	-	-
	Previous Year : as at 31st March,2024	-	1.15	-	0.72	-	-
I	Outstanding Advances and receivable	-	-	-	-	-	-
i)	Service/Trade Receivable	-	-	-	-	18.88	-
	Previous Year : as at 31st March,2024	-	-	-	-	26.46	-
ii)	Investment in Equity Shares (Unlisted)	-	-	1,380.68	822.20	-	-
	Previous Year : as at 31st March,2024	-	-	843.54	451.20	-	-
iii)	Investment in Partnership Firm	-	-	-	189.52	-	-
	Previous Year : as at 31st March,2024	-	-	-	199.71	-	-



Notes forming part of Financial Statements

Note -31 : Assets provided as Security

Sl. No	Particulars	As at	As at
		31st March 2025	31st March 2024
(i)	Trade Receivables	1,098.67	2,502.63
(ii)	Property, Plant and Equipment :		
	Tangible Assets	26,354.95	27,925.21
(iii)	Inventories	16,760.69	17,555.93
	Total Assets provided as Security	44,214.30	47,983.77

Note -32 : Estimated Useful Live of Property, Plant & Equipment (PPE)

Sl. No	Financial Classification	Nature	Useful Lives	
			As per Management Estimate	As per SCH-II of Companies Act 2013
i)	Freehold Building	Building (Factory)	30 Years	30 Years
		Building (Non Factory)	60 Years	60 Years
ii)	Furniture, Fittings and Equipment	Furniture & Fixtures	10 Years	10 Years
iii)	Office Equipment	Computer	3 Years	3 Years
iv)	Plant & Equipment	Plant & Machinery (Non-Earth Moving)	25 Years	25 Years
		Plant & Machinery (Earth Moving)	25 Years	25 Years
v)	Vehicles	Motor car	8 years	8 years

Note -33 : Fair Value Measurements

(i) Financial instruments by category:

Sl.No	Particulars	FVPL	31st March 2025	
			FVOCI	Amortised cost
			Equity instruments designated as such upon initial recognition	
i)	Financial assets			
	Investments:			
	Equity instruments		36.03	-
	Trade receivables		-	1,098.67
	Cash and cash equivalents		-	976.58
	Others		-	1,989.47
	Total financial assets	-	36.03	4,064.72
ii)	Financial liabilities			
	Borrowings			6,192.56
	Derivative financial liabilities			
	Trade payables			665.98
	Other financial liabilities			2,163.72
	Total financial liabilities	-	-	9,022.27

Sl.No	Particulars	FVPL	31st March 2024	
			FVOCI	Amortised cost
			Equity instruments designated as such upon initial recognition	
i)	Financial assets			
	Investments:			
	Equity instruments	-	5.75	-
	Trade receivables	-	-	2,502.63
	Cash and cash equivalents	-	-	3,178.55
	Others	-	-	1,848.32
	Total financial assets	-	5.75	7,529.50
ii)	Financial liabilities			
	Borrowings			11,891.75
	Derivative financial liabilities			-
	Trade payables			535.73
	Other financial liabilities			2,632.89
	Total financial liabilities	-	-	15,060.37



Notes forming part of Financial Statements

(ii) Fair value Hierarchy:

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

(a) recognised and measured at fair value, and

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

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

INR 'Lakhs'

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31st March, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments				
Mutual funds				
Financial investments at FVOCI				
Quoted equity investments	36.03			36.03
Unquoted equity investments	-			-
Quoted Mutual fund units	193.13			193.13
Derivatives				
Foreign exchange forward contracts				-
Foreign currency options				-
Interest rate swaps				-
Total	229.17	-	-	229.17

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31st March, 2024	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments				
Mutual funds				
Financial investments at FVOCI				
Quoted equity investments	5.75			5.75
Unquoted equity investments	-			-
Quoted Mutual fund units	1056.53			1056.53
Derivatives				
Foreign exchange forward contracts				-
Foreign currency options				-
Interest rate swaps				-
Total	1062.29	-	-	1062.29

Level 1 : This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments(including bonds) which are traded in the stock exchange is valued using the closing price as at the reporting period.

Level 2 : Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize 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 is observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

(iii)

As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts are reasonably approximate to the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-



Notes forming part of Financial Statements

1. Trade receivables
2. Cash and cash Equivalent
3. Loans and advances
4. Borrowings
5. Trade Payables
6. Capital Creditors
7. Other payables

Note -34 : Financial risk management

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's financial instruments (excluding receivables from related parties) are influenced mainly by the individual characteristics of each customer. The company's exposure to credit risk is the concentration of risk from the top few customers and the demographics of the customers.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit rating
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk- foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in Indian Rupees (INR)	Cash flow forecasting Sensitivity analysis
Market risk- security prices	Investments in equity securities	Sensitivity analysis

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable .

Credit risk management

Credit risk is managed on instrument basis. For Banks and financial institutions ,only high rated banks /institutions are accepted. For other financial instruments, the company assesses and maintains an internal credit rating system. The finance function consists of a separate team who assesses and maintain internal credit rating system. Internal credit rating is performed on a company level basis for each class of financial instrument with different characteristics.



Notes forming part of Consolidated Financial Statements

- VL1 : High-quality assets, negligible credit risk
 VL2 : Quality assets, low credit risk
 VL3 : Standard assets, moderate credit risk
 VL4 : Sub-standard assets, relatively high credit risk
 VL5 : Low-quality assets, very high credit risk
 VL6 : Doubt full assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward- looking information. Especially the following indicators are incorporated:

1. Internal credit rating
2. External credit rating (as far as available)
3. Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet the obligation.
4. Actual or expected significant changes in the operating results of the borrower.
5. Significant increase in credit risk on other financial instruments of the same borrower
6. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.
7. Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.
8. Macro economic information (such as regulatory changes, market interest rate or growth rate) is incorporated as part of the internal rating model.

In general , it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payment within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other-economic factors.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company treasury maintains flexibility in funding by maintaining available under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves, projecting cash flows in major currencies, considering the level of liquid assets necessary , monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period :

Particulars	31st March, 2025	31st March, 2024
Floating rate		
Expiring within one year (bank overdraft and other facilities)	Nil	Nil
Expiring beyond one year (bank loans)	Nil	Nil



Notes forming part of Financial Statements

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for :

1. All non-derivative financial liabilities and
2. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

INR in 'Lakhs'

Contractual maturities of financial liabilities	Upto 1 year	1 to 3 years	3 to 5 years	5 to 9 years	Total
31st March, 2025					
Non derivatives					
Borrowings(including cash credits)	6,192.24	0.33	-	-	6,192.56
Trade payables	665.98	-	-	-	665.98
Other financial liabilities	2,163.72	-	-	-	2,163.72
Total non derivative liabilities	9,021.94	0.33	-	-	9,022.27
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Principal swap	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-
Contractual maturities of financial liabilities					
31st March, 2024					
Non derivatives					
Borrowings(including cash credits)	11,311.05	580.70	-	-	11,891.75
Trade payables	535.73	-	-	-	535.73
Other financial liabilities	2,632.89	-	-	-	2,632.89
Total non derivative liabilities	14,479.67	580.70	-	-	15,060.37
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Principal swap	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

(C) Market Risk

The company is not an active investor in equity market. It continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through other comprehensive income. Accordingly, fair value fluctuations arising from market volatility is recognised in other comprehensive income.

(i) Foreign Currency Risk

The company's exposure to foreign currency risk & Derivative financial Instruments as on 31st March, 2025

The Company don't have foreign currency exposure hence no foreign exchange forward contracts are required to hold and to mitigate the risk of foreign exchange fluctuation.



Notes forming part of Financial Statements

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long term borrowings with variable rates, which exposes the company to cash flow interest rate risk. Group policy is to maintain most of its borrowings at fixed and variable rate using interest rate swaps to achieve this when necessary.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the company's borrowing from banks and financial institutions to interest rate changes at the end of the reporting period are as follows:

Particulars	(Rs. In Lakhs)	
	31st March, 2025	31st March, 2024
Variable rate borrowings	5,760.17	11,415.58
Fixed rate borrowings	36.04	73.90

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

Profit for the period would increase/ decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

Note-35 : Capital Management

Risk management

The company's objectives when managing capital are to:

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. For relevant ratios please refer Note- 23 financial ratios.

Note -36

Nature and Purpose of Reserves Disclosed under Other Equity

Particulars	Purpose
General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 1956 with regard to Payment of dividend.
Retained Earnings	Retained Earnings contains the balance of retained earnings to carry forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet.
Securities Premium Reserve	Securities Premium Reserve has been created for issue of equity shares.
Reserve for investments at Fair value through OCI	Fair value changes of equity instruments designated at Fair value through OCI
Capital Reserve	Capital reserves includes amalgamation reserve to be used for the specified purpose as per the scheme of arrangement.



Notes forming part of Financial Statements

Note -37

Covenants of Borrowings

(i) Details of Repayment Schedule, Rate of Borrowings

Working Capital Term Loan	31st March,2025		31st March,2024	
	Repayment Tenure	Rate of Interest (p.a)	Repayment Tenure	Rate of Interest
GECL 2.0 (EXTENSION)			48 EMIs	9.25% & 9.05%

(ii) Details of Security

Particulars	Security Details
Leased assets financed	Secured by hypothecation of respective fixed or movable assets with EMIs for 36 months.
Cash Credit	Primary : Secured by Hypothecation of company's stocks of raw material, finished goods, SIP, Consumables, Stores , book debts and other current assets of the company both present & future on paripassu basis with PNB.
	Collateral Security :
	1. 1st charge by way of EM over the factory land & building recorded in the name of the company.
	2. Pledge of Fixed Deposits in the name of the company. Face Value Rs. 90 Lakhs (present value Rs. 136 Lakhs) , on parri-passu basis with member banks PNB.
	3. 1st charge over entire fixed assets (P&M) of the company present and future
	4. Personal Guarantee of Mr. Rajesh Gadodia
	5. 1st Parripasu charge alongwith PNB over Immovable properties recorded in the name of the company.

(iii) Use of Funds raised and statements submitted with Banks or Financial Institution

During the year under audit, the Company did not raise any funds from banks for working capital requirements (Previous Year: INR 1,600 Lakhs). Additionally, no funds were raised from any Non-Banking Financial Company (NBFC) for the acquisition of vehicles and heavy earth-moving equipment (Previous Year: INR 77.72 Lakhs). The funds disbursed in the previous year were utilized for their intended purposes.

The Company has borrowing from banks or financial institutions on the basis of security of current assets,it shall confirm that the quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

Note -38 :

As per the requirements of Ind AS, the company has implemented / adopted the following policies and procedures for accounting:

i Componentisation.

As per prevailing practice, company compontises fixed assets as detailed in the Invoice. It does not have a separate componetisation policy. Accordingly, components identified (as mentioned above) are also depreciated based on the useful lives prescribed under Schedule-II (of the Companies Act.) for the main asset.

The company is in the process of identification of the major components significant to the total cost of the asset accordingly necessary requirements to be complied.

ii Stores and Spares

The company on purchases of stores and spares,if it relates to an item of PPE, the same are capitalised on the date of issue, and which are issued for revenue expenditure purpose, are charged to Profit & Loss Account on the date of consumption.

Note -39 : Expected Credit Loss

On the basis of historical information and findings from analysis of the trade receivables recovery pattern, it is expected that the trade receivables within three years are realizable, not doubtful. Hence the expected credit loss is calculated on the trade receivable falling under the age group of more than 3 years. For this purpose, an expected credit loss rate is taken into account considering the historical credit loss experience and is adjusted for forward-looking information.



Notes forming part of Financial Statements

Note -40 : Auditors' Remuneration

SI No.	Particulars	INR 'Lakhs'	
		31st March, 2025	31st March, 2024
1	Statutory Audit Fees	16.50	16.50
2	Tax Audit Fees	3.50	3.50
3	Internal Audit Fees	2.00	2.00
	Total	22.00	22.00

Note -41 : Leases

Effective from April 01,2019, the company has applied Ind AS 116 "Leases". The standard is applied prospectively and the cumulative effect of applying this standard is recognised. The adoption of Ind AS 116 did not have any significant impact for the company.

Note -42 : Leasing Out of a Unit

The company has leased out, one of its undertaking having a sponge iron manufacturing facility situated in Bellary in the state of Karnataka, from the 1st day of December, 2022 On monthly rental. No other consideration is charged or received during the leasing process.

Note -43 : Corporate Social Responsibility (CSR) Activity

As per Section 135 of the Companies Act,2013 , a company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceeding 3 financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, animal welfare , healthcare,promoting Sports,drinking & sanitation and for rural development projects. A CSR committee has been performed by the company as per Act. The funds were primarily allocated to a corpus and utilised throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013 :

SI No	Particulars	INR 'Lakhs'	
		31st March, 2025	31st March, 2024
i)	Amount required to be spent by the Company during the year.	74.67	90.80
ii)	Amount of Expenditure incurred'	75.76	90.93
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous year Shortfall	-	-
v)	Reason for Shortfall	NA	NA
vi)	Unspent CSR account balance towards ongoing projects *	-	1.50
vii)	Nature of CSR activities	Promoting education, Animal welfare, healthcare,promoting of sports, drinking & sanitation and for rural development,	
viii)	Details of Related party transaction.e.g. contribution to a trust control by the Company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
ix)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision.	NA	NA

Note -44

Previous year figures have been regrouped and/or rearranged wherever necessary, confirming to current year. Figures in bracket represent previous year figure.

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E

Debashis Pattnaik
Partner
M.No.316339

17-May-25
Bhubaneswar

For and on behalf of the Board
Scan Steels Limited

Ankur Madaan
Director
DIN: - 07002199

Prabir Kumar Das
Company Secretary

Praveen Kumar Patro
Director
DIN: - 02469361

Kalyan Kiran Mishra
Chief Financial Officer



Annexure - I

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

Part B : Associates and Joint Ventures

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

Sl No.	Name of Associates / Joint ventures	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate / Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. Lakhs)	Profit / (Loss) for the year	
				Nos.(Equity)	Amount of Investment in Associates / Joint Venture (Rs Lakhs)	Extent of Holding %				Considered in Consolidation (Rs Lakhs)	Not Considered in Consolidation (Rs Lakhs)
1	RPSG Agro Commodity Pvt. Ltd.	31-03-25	08.04.2022	3,001,500	300.15	42.27%	Promoter is a Director	NA	811.11	181.22	-
2	Shristi Resorts & Multiplex Pvt. Ltd.	31-03-25	10.07.2023	4,528,227	543.39	27.52%	Promoter is a Director	NA	620.95	18.21	-
3	RAR Ispat LLP	31-03-25	23.01.2023	NA	200.00	50.00%	Company is a Partner	NA	191.52	-	-

Notes:

- During the year under review, the company did not have any associates or joint venture companies that are yet to commence operations.
- During the year under review No company as an associate or joint venture has been liquidated or sold.
- The company did not have any subsidiary companies during the year under review; hence, details of the subsidiary companies in Part A, as required in Form AOC-1, are not furnished.
- The above-mentioned companies associated with the company from quarter ended on 31st March, 2025

For Das Pattnaik & Co
Chartered Accountants
F. Regd. No.321097E


Debashis Pattnaik

Partner

M.No.316339

For and on behalf of the Board
Scan Steels Limited


Ankur Madaan

Director

DIN: - 07002199


Praveen Kumar Patro

Director

DIN: - 02469361

For and on behalf of the Board
Scan Steels Limited


Prabir Kumar Das

Company Secretary

Chief Financial Officer

