



KONOIKE
GROUP

46TH ANNUAL REPORT

2024-25

FSNL PRIVATE LIMITED

(Formerly Ferro Scrap Nigam Limited)

(A Subsidiary of Konoike Group, Japan)

We Generate "Wealth From Waste"



BOARD OF DIRECTORS

1. Shri Toshihiro Fujiwara	— Chairman & Director	(w.e.f. 21.01.2025)
2. Shri Kazuhiro Hasumi	— Director	(w.e.f. 21.01.2025)
3. Shri Katsufumi Ohtsuki	— Director	(w.e.f. 21.01.2025)
4. Shri Yukihiro Momose	— Director	(w.e.f. 21.01.2025)
5- Shri Manobendra Ghoshal	— Chairman & Managing Director	(upto 21.01.2025)
6. Shri Ashwini Kumar	— Govt. Director	(upto 21.01.2025)
7. Smt. Bhanu Kumar	— Nominee Director	(upto 21.01.2025)
8- Shri Aadya Prasad Pandey	— Independent Director	(upto 01.11.2024)

KEY MANAGERIAL PERSONNEL

Shri Shri Manobendra Ghoshal	— Chairman & Managing Director	(upto 21.01.2025)
Shri Nishant Agrawal	— Company Secretary	(w.e.f. 27.02.2024)
Shri Sumit Kumar Roy	— Chief Financial Officer	(w.e.f. 18.05.2023)

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CHAIRMAN AND MANAGING DIRECTOR'S SPEECH

LADIES AND GENTLEMEN,

*My heartiest greetings to you on behalf of **FSNL Private Limited(FSNL)** (Formerly Known as Ferro Scrap Nigam Limited).I am pleased to share that FSNL has performed well during the Financial Year 2024-25 in terms of physical and financial performance.*

PHYSICAL PERFORMANCE HIGHLIGHTS

The Company performed well during the year and FSNL achieved a dispatch of 33.81 lakh metric tons of scrap and 119.59 lakh metric tons of slag haulage (in total 153.40 Lakh Ton). The physical performance has been achieved despite the reduction in the input of scrap from current arising and also from old dumps.

FINANCIAL PERFORMANCE HIGHLIGHTS

The company's total earnings were Rs. 47673.92 lakhs compared to the previous year's figure of Rs. 46771.77 lakhs. The company's gross margin and the profit before tax during the year were Rs. 10202.10 lakhs and Rs. 8455.77 lakhs as compared to the previous year's figure of Rs. 10541.04 lakhs and Rs. 8811.70 lakhs respectively.

FUTURE PLANS & EXPANSION ACTIVITIES

FSNL is well positioned for rendering its services to Steel Plants in a better way. FSNL has planned its diversification towards the following areas:

- 1) Value addition and uses of SMS Slag.*
- 2) Operation and maintenance of various shops inside the Steel Plants as per requirement of the customer.*
- 3) Crushing and Screening of Iron Ore in Iron Ore Mines.*
- 4) Removal of Overburden and excavation of Coal in open cast Coal Mines.*
- 5) Manufacturing of soil conditioner from SMS Slag.*
- 6) BOO project for MRP and SSP Plants.*
- 7) BOO basis project for making Briquette Plant and Micro Pellet Plant.*

Your Company has bagged new contract, received LOI from JSW, Dolvi for the job of Installation, Operation & Maintenance of Metal Recovery Plant and Slag to Sand Plant at JSW Dolvi Works on BOO basis for 15 years. The Contract Agreement is being signed shortly.

SIGNIFICANT LEGAL CASE AFFECTING BUSINESS OF THE COMPANY

FSNL has filed an appeal no. MAT 244/2019 dated 15.02.2019 with the Divisional Bench of Hon'ble Calcutta High Court to challenge the Order Passed by the single bench of Calcutta High Court under writ petition no. 33074 (W) of 2013 wherein the single bench has quashed the nomination policy for the award of work on a nomination basis to FSNL.

The Divisional Bench of Hon'ble Calcutta High Court vide order dated 01.04.2019 has stayed the order of Single Bench of Calcutta High Court in the writ petition no. 33074 (W) of 2013. The existing system of awarding work to FSNL on a nomination basis shall continue till the disposal of the Appeal. Accordingly, all existing Work contracts awarded to FSNL on a nomination basis are under judicial review. The court has ruled that under the new management, FSNL will no longer receive preferential treatment for processing scrap from Steel Authority of India Limited (SAIL). FSNL will now need to compete in the open market for scrap processing work from SAIL.

100% DISINVESTMENT OF FSNL BY MSTC TO KONOIKE JAPAN FINALIZED

The Cabinet Committee on Economic Affairs (CCEA), Government of India, in its meeting held on October 27, 2016, accorded its 'in-principle' approval for the strategic disinvestment of the entire equity shareholding held through MSTC Limited in Ferro Scrap Nigam Limited (FSNL), along with the transfer of management control. The Department of Investment & Public Asset Management (DIPAM) is overseeing the strategic disinvestment on behalf of the Government of India.

FSNL has been privatized through a competitive disinvestment process. Pursuant to the Share Purchase Agreement dated 24.10.2024, 100% shareholding of FSNL held by MSTC Limited has been transferred to Konoike Transport Co., Ltd. ("Konoike Japan"), a foreign body corporate incorporated in Japan, with effect from the Board Meeting held on 21.01.2025.

CHANGE OF NAME OF FERRO SCRAP NIGAM LIMITED TO FSNL PRIVATE LIMITED

Subsequent to its privatization, the name of Ferro Scrap Nigam Limited has been changed to FSNL Private Limited with effect from 29.04.2025.

STATUS OF SCRAP RECOVERY CONTRACT:

Validity of Long Term Agreements with various Steel Plants /Customers are as Under:

- a) Bhilai Steel Plant – Agreement is valid upto 31.03.2026.*
- b) Bokaro Steel Plant – Agreement is valid upto 31.03.2026.*
- c) Rourkela Steel Plant – Agreement is valid upto 31.03.2026.*
- d) Durgapur Steel Plant – Agreement is valid upto 31.03.2026.*
- e) ISP Burnpur – Agreement is valid upto 31.03.2026.*
- f) Salem Steel Plant – Agreement is valid upto 31.03.2026.*

- g) RINL, Visakhapatnam Steel Plant, Agreement is valid upto 31.03.2026.
- h) NMDC Steel Plant, Nagarnar – Agreement is valid upto 31.03.2026.
- i) MIDHANI, Hyderabad – Agreement is valid upto 30.09.2025

CORPORATE GOVERNANCE & OTHER POLICIES

During the FY 2024-25, FSNL has discharged its Corporate Social Responsibilities in accordance with the provisions of the Companies Act, 2013. The details of the same are disclosed in the Directors' Report of the Company.

FSNL is constantly making its best efforts for implementation of official language policy at its Corporate Office and Units.

The Whistle Blower Policy is fully operational in your company.

To prevent sexual harassment of women at workplace in your organization, an Internal Complaints Committee is in place to deal with complaints, if any, of the women employees (including permanent, trainee, contractual/ outsourced, etc.) of the company. The summary of complaints received and dealt during the financial year is disclosed in the Directors' Report of the Company.

ACKNOWLEDGEMENT

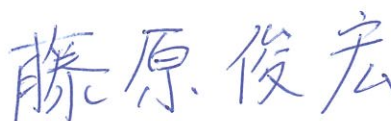
*Before I conclude, I would like to take this opportunity to express my sincere thanks to our valued customers i.e. **SAIL Steel Plants, RINL, MIDHANI, JSW and NMDC Steel Limited.** Board also expresses gratitude to **Konoike Transport Co., Ltd., Japan** our holding Company.*

As a Japanese national, I deeply value harmony and discipline—values I see reflected in FSNL's dedicated team. I extend my gratitude to our customers, partners, employees, and trade unions for their trust and cooperation.

*Let us continue working together with **kaizen spirit—continuous improvement—for a prosperous future.***

Wishing you and your families a joyful Durga Puja, Diwali, and festive season ahead

*Thanking you,
Jai Hind!*



Place: Bhilai
Date: 10.07.2025

Toshihiro Fujiwara
Chairman and Director
DIN: 10903855

DIRECTORS' REPORT

To,

The Members of

FSNL PRIVATE LIMITED

(Formerly Known as Ferro Scrap Nigam Limited)

Your Directors are pleased to present the **46th Annual Report** together with the audited financial statements for the year ended 31st March, 2025 along with the Statutory Auditor's Report. The Report on Corporate Governance and Management Discussion and Analysis has also been attached to this report.

PERFORMANCE HIGHLIGHTS (2024-25)

(a) Physical Performance

The Company maintained well in physical targets in all key operational areas, FSNL achieved a dispatch of 33.81 lakh metric tons of scrap and 119.59 lakh metric tons of slag haulage (in total 153.40 Lakh Ton). The physical performance has been achieved despite reduction in input of scrap from current arising and also from old dumps. The achievement of scrap & slag was possible by augmenting the present activities at Burnpur, Bhilai, Bokaro & Nagarnar and also due to the excellent work culture, team spirit, hard work and dedication of all the employees as well as cooperation and support received from customers.

(b) Sustainable Development.

- (i) FSNL has been utilizing solar plant since 2013 for its corporate office and its garden. The Company continues its efforts towards the green office concept by having installed a rooftop 15 KW Solar Power Unit at its Corporate Office. With the help of 5 KVA & 10 KVA capacity Solar Power Plant was installed, whereby, with the enhanced solar power generation, in 2024-25 – 10568 KVA of Solar energy was utilized from the solar energy power generated from rooftop solar power plant installed at Corporate Office, Bhilai.
- (ii) The Company is continuously making its efforts in conservation of natural resources through Rain Water Harvesting at Corporate Office and Bhilai Unit for recharging rainwater into ground to improve the groundwater table.

(c) Procurement through Government E-Marketplace (GeM)

As a Digital India initiative, the Company has started extensively using GeM Portal hosted by DGS & D for secondary purchases. The value of purchase made in the financial year 2024-25 is Rs. 6287.50 Lakhs.

(d) Energy Conservation

The Company continues its efforts towards green office concept by having installed rooftop 15 KW Solar Power Unit at its Corporate Office.

During the year 2024-25 under review the Company has conserved the energy by utilizing 10568 KVA of electrical power through Solar Power Unit.

(e) Capacity Utilization

The company operated at 98.57 % capacity in the year 2024-25.

FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Particulars	2024-25	2023-24 (Restated)
Total Revenue	47673.92	46771.77
Profit Before Tax	8455.77	8811.70
Profit After Tax (PAT)	6296.40	6596.31
Gross Margin	10202.10	10541.04
Balance brought forward from previous year	116.03	(796.58)
Other Comprehensive Income (OCI)	(333.38)	(43.70)
Profit available for Appropriations	6079.05	5756.03
Appropriations:		
Final Equity Dividend payout of previous year	0.00	1280.00
Interim Equity Dividend payout of Current year	0.00	1280.00
General Reserve	5940.00	3080.00
Surplus carried to the next year's account	139.05	116.03
Earnings per Share (Rs.) (Face Value Rs. 10/-)	19.68	20.61
PBT Per Employee	21.74	19.49

The total earnings of the company was Rs. 47673.92 lakhs as compared to the previous year's figure of Rs. 46771.77 lakhs. The company's gross margin and the profit before tax during the year was Rs. 10202.10 lakhs and Rs. 8455.77 lakhs as compared to the previous year's figure of Rs. 10541.04 lakhs and Rs. 8811.70 lakhs respectively.

CAPEX:

The company has incurred expenditure to the tune of Rs. 1520.27 Lakhs towards acquisition/addition of fixed assets in the year 2024-25 from its resources generated internally on accrual basis.

GENERAL RESERVES:

The General Reserves of the Company is Rs. 28419.51 lakhs as on 31st March, 2025.

DIVIDEND:

In line with the company's strategic focus, the Board of Directors has decided not to declare a dividend for the financial year 2024-25. This decision has been made to prioritize reinvestment into the business, strengthen the company's financial position, and support future growth initiatives.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

The information is pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo are given in the **Annexure-I** forming part of this report.

STATUS OF SCRAP RECOVERY CONTRACT:

Validity of Long Term Agreements with various Steel Plants /Customers are as Under:

- Bhilai Steel Plant – Agreement is valid upto 31.03.2026.
- Bokaro Steel Plant – Agreement is valid upto 31.03.2026.
- Rourkela Steel Plant – Agreement is valid upto 31.03.2026.
- Durgapur Steel Plant – Agreement is valid upto 31.03.2026.
- ISP Burnpur – Agreement is valid upto 31.03.2026.
- Salem Steel Plant – Agreement is valid upto 31.03.2026.
- RINL, Visakhapatnam Steel Plant, Agreement is valid upto 31.03.2026.
- NMDC Steel Plant, Nagarnar – Agreement is valid upto 31.03.2026.
- MIDHANI, Hyderabad – Agreement is valid upto 30.09.2025

PERSONNEL

The total strength of manpower in the company as on 31.03.2025 was 389, comprising of 128 Executives and 261 Non-executives. The overall representation of employees belonging to Scheduled Caste, Scheduled Tribe & OBC communities as on 31st March 2025 was 19.02%, 8.74% & 25.45%, respectively. The Presidential directives issued from time to time with regard to reservation of vacancies for SC/ST/OBC & Divyang personnel in Recruitments, are strictly adhered to by FSNL.

Out of the total strength of 389 employees as on 31.03.2025, the strength of Male & Female employees was 379 & 10, respectively.

The position of SC/ST/OBC, Minority & Physically challenged employees in various groups as on 31.03.2025 was as follows:-

Group	No. of Employees		S.C.		S.T.		OBC		Minority		Physically Challenged	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
A.	120	08	20	-	03	-	25	03	02	-	-	-
B.	216	01	32	01	16	-	58	-	17	-	-	-
C.	42	01	20	-	15	-	13	-	11	-	-	-
D. Excl.Safai Karmachari												
D. Incl.Safai Karmachari	01	-	01	-	-	-	-	-	-	-	-	-
TOTAL	379	10	73	01	34	-	96	03	30	-	-	-

RECRUITMENTS

2 numbers of executives on fixed term basis were engaged during the FY 2024-25.

WELFARE OF MINORITIES

The directives issued from time to time for the welfare of Minorities have been strictly adhered to by the company. As on 31st March 2025, out of 389 employees, the total strength of employees belonging to Minority communities was 30, and the percentage of representation of Minorities in FSNL was 7.71% as on 31st March 2025.

All welfare measures as in vogue / introduced by the company from time to time for the benefit of the employees are uniformly extended to all the employees including employees belonging to Minority community.

WELFARE OF WEAKER SECTIONS

All categories of employees, including SC/ST/OBC community, are provided with all welfare measures uniformly as per the rules of the company.

IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

In compliance with the mandatory provisions of the RTI Act, FSNL has appointed a Public Information Officer (PIO) at Corporate Office and one APIO each at its units. Further, as per the provisions of the RTI Act 2005, the first appellate authority has also been appointed at Corporate Office. The company has complied the information under 17 different templates/ manuals for voluntary /Suo-moto disclosures required under section 4 (1)(b) of the Act and hosted the same on the company's website "fsl.nic.in". The information so published are being regularly updated.

The company is proactively complying with the provisions of Right to Information Act, 2005. All information sought under the act is being furnished within the stipulated time limit.

Quarterly reports are submitted to the CIC regularly. All applications for information are dealt with as per the prescribed guidelines of the RTI Act, 2005. The total 36 numbers of RTI application received during the financial year 2024-25. All applications were replied within stipulated time and no applications were pending, as on 31.03.2025.

VIGILANCE ACTIVITIES

The Vigilance Department has been focusing on "Preventive & Proactive Vigilance" and accordingly co-ordination with the management in improving upon the existing procedure & system to achieve the overall objectives of the Company. routine and Surprise Checks, Scrutiny of Files, Scrutiny of Audit Reports, System Study, random Scrutiny of Property Return of employees and CTE type Intensive Examination of Works were carried out as a preventive measure. Apart from this, required various Reports>Returns were submitted to Ministry / CVC and also structured meeting held with the Managing Director.

Complaints received from various source were handled as per the Complaint Handling Mechanism guidelines / procedure of CVC.

Constant efforts are being made for Leveraging technology to bring transparency in the affairs of the Company. Transparency and fairness for award of contracts is continuously being monitored. Total 67 numbers of Work Order / Purchase Orders covered under Integrity Pact. Various suggestions were given to management for Systemic Improvements in line with CVC guidelines.

In compliance to CVC's directives, Vigilance Awareness Week was observed in the Company from 28th October 2024 to 03rd November 2024 on the theme "सत्यनिष्ठा की संस्कृति से राष्ट्र कि समृद्धि " "Culture of Integrity for Nation's Prosperity". During this week various activities like Essay Writing

Competition, Drawing/Cartoon making Competition, Pamphlet distribution in public places, taking pledge by the employees, Vendors meet, Workshop on preventive vigilance, Walkathon etc., were carried out to create vigilance awareness among the employees/stakeholders as well as public. In addition to the above, to create awareness among general public an Essay Writing & Debate Competition conducted in School and College. Publicity in local News Papers was also given to spread awareness on vigilance. As a precursor to VAW 2024 a three months campaign on Preventive Vigilance measures viz. "Capacity Building Programs; Identification and implementation of Systemic Improvement measures; Updation of Circular/Guidelines/Manuals; Disposal of complaints received before 30.06.2024 and Dynamic Digital Presence" were taken up from 16th August 2024 to 15th November 2024 as per CVC guidelines.

SAFETY

As a measure of creating awareness among the employees about safety & safe working practices, Safety Day celebrations were organized in all the units of FSNL as well as at Corporate Office, wherein debates on safety & allied matters, talk on safety & safe working practices etc., were organized. Winners of the competitions were given suitable prizes to boost up their morale and to motivate other employees also to take part in such competitions.

A unit level Safety committee, comprising of members/representatives both from Workers and Management have been constituted and are functional at units of FSNL. The meeting of the committee is held on monthly basis at units, wherein matters pertaining to safety & safe working practices are discussed to ensure safe working environment.

Special training programmes for prevention of accidents were organized by maintaining close liaison with the Safety departments of the concerned Steel Plants as well as the reputed agencies like National Safety Council. During 2024-25, the frequency rate of reportable accidents was 0.09% per thousand man-days worked.

WORKERS' PARTICIPATION IN MANAGEMENT

In smooth functioning of any organization, Workers' Participation in management plays a vital role. Considering this, and also to ensure optimum participation of workers in all spheres of activities undertaken by the management, a Joint Forum Committee (JFC) is constituted in FSNL. The Joint Forum Committee consists of equal number of representatives from Management & the recognized Unions, including Heads of Department at Corporate level. A representative of the management is nominated as the Convener of JFC, while a representative of the Union functionary as the Jt. Convenor. Regular meetings of the Joint Forum Committee are held for discussing and sorting out the issues of employees. Wherever felt necessary, the Agreements/Memorandum of Settlements are also signed by & between the management & the recognized unions in the Joint Forum Committee's meetings.

Mutual discussions across the table in the Joint Forum Committee's meetings, results in analysis & finding best solutions to various problems in a congenial atmosphere. Workers' Participation in Management is a regular & well-established phenomenon in FSNL.

Works Committee, consisting of representatives from management and members nominated by recognized Unions, are also constituted at Unit level to discuss & sort out day-to-day problems as well as matters of the employees' interest, so that smooth functioning of units could be ensured with dedicated and joint efforts of the workmen and the unit management.

INDUSTRIAL RELATIONS

There was a two-day strike in the company during the year 2024-25.

CITIZEN CHARTER

FSNL has formulated a Citizen's Charter by adopting the Seven Step Module, representing a systematic effort to focus on the commitment of the Organization towards its Citizens/Clients in respect of Standard of Services, Information, Choice and Consultation, Non-discrimination and Accessibility, Grievances Redressal, Courtesy and Value for money, including expectation of the Organization from the Citizen/Client for fulfilling the commitment of the Organization. The company has adopted Grievance Redressal mechanism, which forms part of Board approved Citizen's Charter, as detailed below: -

(A) PUBLIC GRIEVANCE REDRESSAL

A 3-Tier Grievance Redressal Machinery has been formulated by FSNL for redressal of Public Grievances.

A Grievance Box has been kept at the reception counter of the Units/Corporate Office for easy accessibility of these boxes to the Public.

For smooth redressal of one's grievance, anyone from Public could approach FSNL under 3 stages beginning with its Public Grievance Officer, then the Unit Head/HOD of Operations at Corporate Office & P&A Head at Corporate Office. At each stage he is responded within a stipulated time schedule. In the event the aggrieved person is not satisfied with the reply at any stage, he can make his appeal to the Managing Director.

The MD, after examining the actions taken by the authorities at the above 3 stages, would analyze the grievances & communicate his decision to the concerned complainant within 15 days of the receipt of the appeal.

Online grievances received through CPGRAM System of Ministry are also responded & cleared online within the stipulated time schedule.

The summary of grievances received and disposed off during the financial year 2024-25 is as below:

No. of Grievance Brought Forward	No. of Grievances Received	No. of Grievance Disposed Off	No. of Grievances Pending
Nil	6	6	Nil

(B) STAFF GRIEVANCE REDRESSAL

For Staff Grievance also, a 3-Tier Grievance Redressal machinery is in vogue. The staff grievances, if any, are normally resolved at the unit level. Such grievances which need intervention of Corporate management, are taken up by the Unions with the Management at the Joint Forum Committee's meetings and the grievances are resolved across the table.

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

In accordance with Prevention of Sexual Harassment of Women Employees at Workplace (Prevention, Prohibition and Redressal) Act 2013, we are committed to provide a safe and conducive work environment to our employees. A Complaints Committee is also in place to deal with complaints,

if any, of the women employees (including permanent, trainee, contractual/ outsourced, etc.) of the company.

During the financial year one complaint were received under the Act, representation in tabular form is given as below:

Sl. No.	No. of complaints brought forward from the previous year	No. of complaints received during the year	Total no. of complaints	No. of complaints disposed off during the year	No. of complaints pending during the year
(1)	(2)	(3)	(4) = (2) + (3)	(5)	(6)
1	0	1	1	1	0

INFORMATION TECHNOLOGY INITIATIVE

The security audit of FSNL applications—including FAST, CAMMS, Executive Performance Management System, Employee Self-Service Portal, Vendor Bill Tracking System, and Annual Property Return System—has been successfully completed by a CERT-in empaneled agency.

FSNL has successfully upgraded its existing high-speed internet leased line, bandwidth to 500 MBPS at the Corporate Office and 50 MBPS at each unit.

New email services, Zoho Mail, have been successfully implemented in FSNL Private Limited

The FSNL official website has been successfully migrated from the "fsnl.nic.in" domain to "fsnl.co.in."

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

FSNL has filed an appeal no. MAT 244/2019 dated 15.02.2019 with the Divisional Bench of Hon'ble Calcutta High Court to challenge the Order Passed by the single bench of Calcutta High Court under writ petition no. 33074 (W) of 2013 wherein the single bench has quashed the nomination policy for the award of work on a nomination basis to FSNL.

The Divisional Bench of Hon'ble Calcutta High Court vide order dated 01.04.2019 has stayed the order of Single Bench of Calcutta High Court in the writ petition no. 33074 (W) of 2013. The existing system of awarding work to FSNL on a nomination basis shall continue till the disposal of the Appeal. Accordingly, all existing Work contracts awarded to FSNL on a nomination basis are under judicial review. The court has ruled that under the new management, FSNL will no longer receive preferential treatment for processing scrap from Steel Authority of India Limited (SAIL). FSNL will now need to compete in the open market for scrap processing work from SAIL.

OFFICIAL LANGUAGE POLICY

All the directives issued by the Government from time to time regard to implementation of Official Language Policy are being strictly adhered. FSNL is dedicated towards contribution in the area of implementation of Official Language policy and continuous efforts are being made towards promotion of progressive use of Hindi.

Employees are constantly motivated to carry out their official jobs in Hindi. With an objective to create awareness & interest among the employees for the use of Hindi various competitions from time to time are being organized and winners of these competitions are also being awarded. Further, 20 employees of FSNL have also bagged the Rajbhasha Excellence Award.

The tenth issue of "DARPAN", an in-house magazine. FSNL employees were paid honorarium for their articles published in "Darpan" our in-house journal.

Ferro Scrap Nigam Limited has been awarded with "Rajbhasha Agraganya" first prize by Town Official Language Implementation Committee, Bhilai-Durg.

During the year various competition in Official Language were organized for the employees of Town Official Language Implementation Committee, Bhilai-Durg. Apart various competitions on the Hindi handwriting/Hindi Quiz/Hindi speech/ Hindi debate were organized and National level competitions were also organized for the college students.

PARTICULARS OF EMPLOYEES:

The Statement showing the names and other particulars of the employees of the company as required under Rule 5 (2 & 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be furnished since none of the employees of the company has received remuneration in excess of the remuneration mentioned in the above-mentioned Rule 5 (2) during the financial year 2024-25.

BOARD OF DIRECTORS:

DIRECTORS:

The Board of Directors of the Company consists of Shri Toshihiro Fujiwara (DIN: 10903855) as Chairman and Non-Executive Director, Shri Kazuhiro Hasumi (DIN: 10140115) as Non-Executive Director, Shri Katsufumi Ohtsuki (DIN: 05309896) as Non-Executive Director, and Shri Yukihiro Momose (DIN: 10909033) as Executive Director, appointed with effect from 21.01.2025.

Shri Manobendra Ghoshal (DIN: 09762368) as Chairman and Managing Director, Smt. Bhanu Kumar (DIN: 7982360) as nominee Director of MSTC Limited, Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned from the Board with effect from 21.01.2025.

BRIEF INFORMATION OF DIRECTORS APPOINTED DURING FY 2024-25.

Shri Toshihiro Fujiwara

Shri Toshihiro Fujiwara (DIN: 10903855) was appointed as a Non-Executive Director and Chairperson of the Company with effect from 21.01.2025.

He has obtained his LL.B. degree from Doshisha University, Japan

Shri Kazuhiro Hasumi

Shri Kazuhiro Hasumi (DIN:- 10140115) was appointed as a Non-Executive Director of the Company with effect from 21.01.2025. He also serves as the Managing Director of Konoike India Private Limited and is a Director in Joshi Konoike Transport and Infrastructure Private Limited.

He has obtained his BBA Chiba University of Commerce.

Shri Katsufumi Ohtsuki

Shri Katsufumi Ohtsuki (DIN- 05309896) as Non-Executive Director the Company with effect from 21.01.2025.

He holds an MBA from Vanderbilt University, USA, and an LL.B. from Tohoku University, Japan.

Shri Yukihiro Momose

Shri Yukihiro Momose (DIN- 10909033) as Executive Director the Company with effect from 21.01.2025.

He has pursued Economics Studies at Nishogakusha University, Japan (partially completed)

KEY MANAGERIAL PERSONNEL:

The details of the Key Managerial Personnel of the Company as on the date of this report are as follows;

S.No.	KMP	Designation
1	Shri Nishant Agrawal	Company Secretary
2.	Shri Sumit Kumar Roy	Chief Financial Officer

STATEMENT OF INDEPENDENCE OF DIRECTOR.

Following the privatization of Ferro Scrap Nigam Limited (FSNL), the requirement for the Statement of Independence of Director under Section 149(7) of the Companies Act, 2013 is no longer applicable. The Independent Directors who were previously appointed have duly submitted their statements of independence in compliance with the applicable provisions of the Companies Act, 2013, and have registered themselves with the Indian Institute of Corporate Affairs (IICA), Manesar, as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. With the change in ownership and management post-privatization, the provisions related to Independent Directors are no longer required under the new corporate structure.

AUDITORS:

In pursuance of the powers conferred by Section 139 of the Companies Act, 2013 read with Section 129(4) of the Companies Act, 2013, the Comptroller & Auditor General of India appointed M/s V Rawal & Co., Chartered Accountants as the Statutory Auditor of the Company for the period under review.

The Statutory Auditors' Report on the Accounts of the Company for the financial year ended on 31st March 2024 is placed at **Annexure VI** and forms part of this report.

SECRETARIAL AUDITORS

According to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013, M/s IG & Associates a Practicing Company Secretaries were appointed to undertake the Secretarial Audit for a period of three financial year commencing from 2023.

The Secretarial Audit Report is placed at **Annexure IV** and forms part of this report.

INTERNAL AUDITORS

M/s. Arindam & Associates, Cost Accountants, Raipur, performs the duties of Internal Auditors of the Company for all the units and corporate office of FSNL during the financial year 2023-24, 2024-25, and 2025-26.

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 based on the certification received from the operating management of the company:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That your directors have selected such accounting policies and applied them consistently, and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) That your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
- d) That your directors have prepared the annual accounts on a going concern basis;
- e) That your directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as "Annexure V".

COMMITTEES OF THE BOARD

Shri Adya Prasad Pandey (DIN: 09347851), Independent Director, resigned from the Board with effect from 01.11.2024. Consequently, the Audit Committee and the Nomination & Remuneration Committee were dissolved due to the absence of an Independent Director, and their functions were undertaken by the Board of Directors of FSNL. Subsequently, after the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, the Committees stood fully dissolved.

The CSR Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. Subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on 21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two members.

Following the 100% Strategic Disinvestment of Ferro Scrap Nigam Limited (FSNL), only one Committee is presently prevailing, namely the Corporate Social Responsibility (CSR) Committee. The disinvestment concluded in January 2025 with the sale of 100% equity to Japan's Konoike Transport Co., Ltd. for ₹320 crore. The process, approved in September 2024, resulted in the transfer of FSNL's management control to Konoike, and a new Board led by the strategic partner has since taken over.

AUDIT COMMITTEE

A detail of the Audit Committee is mentioned under "Annexure II" of this report.

CSR MONITORING COMMITTEE

A detail of the CSR Monitoring Committee is mentioned under "Annexure II" of this report.

The CSR Policy of the company is available on the website of the company at www.fsnl.nic.in. The Annual Report on CSR activities is annexed herewith as "Annexure III".

NOMINATION AND REMUNERATION COMMITTEE **(Formerly known as Remuneration Committee)**

A detail of the Nomination and Remuneration Committee is mentioned under “Annexure II” of this report.

Prior to privatization, Non-official (Independent) Directors were paid a sitting fee of Rs. 15,000 for attending Board and Committee meeting. Government Nominee and other Non-Executive Directors were not entitled to any remuneration or sitting fees. However, post-privatization of (FSNL), the requirement for Independent Directors no longer applies, and accordingly, no sitting fees or remuneration is being paid to Independent Directors.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The company has an efficient and sound system of internal control to monitor the activities of the company to achieve the business objectives with accuracy, clarity and transparency of financial reporting. Present internal control ensures statutory compliance with rules, laws and regulations and with the laid down policies and procedures of the Company.

To ensure independence to the internal control system, internal audit functions emphasizing transparency in the system and therefore, internal audit of the company is entrusted to independent external firms of Chartered Accountants. The reports of the internal audit are periodically submitted to the management and Audit Committee for improvement, appraisal and remedial measures, if any.

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy to identify and evaluate business risks associated with the operations and other activities of the Company and formulated risk mitigations strategies.

RELATED PARTY TRANSACTIONS

In addition to MSTC Limited (Holding Company), the Directors and Key Managerial Personnel (KMP) are the related party as defined under section 2(76) of the Companies Act, 2013.

And, there have been no materially significant related party transactions between the Company and the Directors, the management, the holding company or the relatives. Suitable disclosures as required by the Ind AS 24 have been made in note no. 38 in the notes to the financial statements.

CORPORATE GOVERNANCE

Separate report on Corporate Governance and Management Discussions and Analysis are attached herewith as Annexure-II and forms part of this Annual report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report forms part of the Board Report.

ACKNOWLEDGEMENT

The Board records sincere support received from its valued customers i.e. SAIL Steel Plants, RINL, MIDHANI and NMDC Steel Limited. Board also expresses gratitude to Konoike Transport Company Ltd., Japan our holding Company.

The Board of Directors appreciates the contribution of all the employees at all levels towards the attainment of Company's objectives.

For and on behalf of Board of Directors



Toshihiro Fujiwara
Chairman and Director
DIN: 10903855

Place: Bhilai

Date: 10.07.2025

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/ Associates
Companies/Joint Ventures

PART "A": Subsidiaries: Nil

(Information in respect of each Subsidiary to be presented with amounts in Rs.)

1. SI No.
2. Name of the Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiaries.
5. Share Capital
6. Reserve and Surplus
7. Total Asset
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before Taxation
12. Provision for Taxation
13. Profit after Taxation
14. Proposed Dividend
15. % of Share holding

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

PART "B": Associates And Joint Ventures: Nil

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

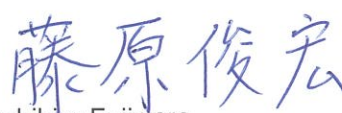
Name of Associates/ Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Shares of Associates/Joint Ventures held by the Company on the year end			
Amounts of investments in Associates/Joint Venture			
Extend of holding %			
3. Description of how there is significant influence			
4. Reason why the Associates/Joint Venture is not consolidated			
5. Networth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year			
1. Considered in Consolidation			
2. Not Considered in Consolidation			

1. Names of Associates or Joint Ventures which are yet to commence operations
 2. Names of Associates or Joint Venture which have been liquidated or sold during the year.
- NOTE: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of Board of Directors

Place: Bhilai

Date: 10.07.2025


 Toshihiro Fujiwara
 Chairman and Director
 DIN: 10903855

Annexure 'A'
Particulars of contracts/arrangements entered into by the company with related parties
FORM NO. AOC-2
(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and
Rule 8(2) of the Companies (Accounts) Rules, 2014) for disclosure of particulars of
contracts/arrangements entered into by the company with related parties referred to in sub-
section(1) of section 188 of the Companies Act, 2013

Form for disclosure of particulars of Contracts/Arrangement entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of Contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the Related Party and nature of relationsh ip	(b) Nature of Contract s/Arran gements /Transa ctions	(c) Duration of Contracts /Arrange ments/Tr ansaction s	(d)Salient terms of Contracts/ Arrangeme nts/Transa ctions including the value, if any	(e) Justification for entering into such Contracts/A rrangements /Transactio ns	(f) Date(s) of approval by the Board	(g) Amount paid as advance, if any	(h) Date on which the Special Resolutio n was passed in General Meeting as required under first proviso to section 188(h).

NIL

Details of material Contracts/Arrangements/Transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	(b) Nature of Contracts/ Arrangeme nts/Transa ctions	(c) Duration of Contracts/A rrangements /Transactio ns	d) Salient terms of Contracts/Arra ngements/Tran sactions including the value, if any	(f) Date(s) of approval by the Board	(g) Amount paid as advance, if any

For and on behalf of Board of Directors

Place: Bhilai
Date: 10.07.2025


Toshihiro Fujiwara
Chairman and Director
DIN: 10903855

ANNEXURE – I TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGOING ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) CONSERVATION OF ENERGY:

(i)	The steps taken or impact on conservation of energy:	As per the directive of Government of India, we have switched over to installing LED lights from traditional lights in Corporate Office, Bhilai. This has reduced the power consumption by 50 %. With the help of 5 KVA & 10 KVA capacity Solar Power Plant was installed, whereby, with the enhanced solar power generation, in 2024-25 – 10568 KVA of Solar energy was utilized from the solar energy power generated from rooftop solar power plant installed at Corporate Office, Bhilai.
(ii)	The steps taken by the Company for utilising alternate sources of energy.	
(iii)	The capital investment on energy conservation equipment:	

POWER CONSUMPTION:

	CURRENT YEAR 2024-2025			PREVIOUS YEAR 2023-2024		
	UNITS(KWH)	Total Cost	Rs. Per Unit	UNITS(KWH)	Total Cost	Rs. Per Unit
Electricity	1239288	9008516	7.27	1286038.19	9258012	7.20

CONSUMPTION PER UNIT OF PRODUCTION:

	Standards (if any)	Current Year 2024-2025	Previous Year 2023-2024
Product: Iron & Steel Scrap	N.A.	1.83	1.82

(B) TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption.	Updation of technology is a continuous process. Efforts are continuously made to develop new avenues for improved services required by Customers.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution.	<u>Process & Technology.</u> (i) FSNL has taken up one R&D project with CSIR-NML, Jamshedpur for the development of process technology for converting waste sludge, generated during Iron & Steel making, into Briquettes. 2nd phase plant trials were initiated to establish the results. (ii) Development of design guidelines and specification for utilisation of Steel Slag in rural road construction. (iii) Upgraded the operation process by introducing hydraulic excavator of 35 Ton with magnet attachment in equipment flit against obsolete model rope magnet crane used for loading. (iv) FSNL has done several modifications in existing Separators and Screening Units to get better output and also to meet customer's requirement. (v) To get better output or to increase production FSNL has a practice of replacement of old and problematic equipment and old sub-assemblies with new, in order to increase machine's availability introduced in equipment flit in capax (vi) FSNL is planning to implement upgradation of scrap processing technology by implementation of Steel Buster against Balling operation & Smook control technology during lancing to improve safety and environment.
(iii)	In case of imported technology (imported during the last three years reckoned from beginning of the financial year) a) The details of technology imported. b) The year of import. c) Whether the technology been fully absorbed. d) If not fully absorbed, areas where absorption has not taken place & the reason thereof.	NIL

(iv)	The expenditure incurred on Research and Development.	NIL
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FOREIGN EXCHANGE EARNINGS AND OUTGO:

The total foreign exchange earnings and outgo was Nil during the year 2024-25. The total foreign exchange earnings and outgo was Nil during the year 2023-24.

For and on behalf of Board of Directors

Place: Bhilai
Date: 10.07.2025


 Toshihiro Fujiwara
 Chairman and Director
 DIN: 10903855

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Industry Structure and Development:

FSNL Private Limited (formerly Ferro Scrap Nigam Limited; renamed on 29.04.2025) operates in India's in-plant metal scrap recovery, slag handling, and allied logistics segment serving integrated and secondary steel producers.

The industry's origins trace to 1957 when M/s Hekett Engineering Co. (Harsco, USA) commenced mechanized scrap recovery at TISCO, later expanding to Rourkela (1962) and Burnpur (1964).

In response to the Foreign Exchange Regulation Act, 1974, a domestic structure was pursued, culminating in the incorporation of Ferro Scrap Nigam Limited on 28.03.1979 in collaboration with MSTC Ltd. and Harsco Inc. (60:40).

FSNL was initially linked to SAIL and delinked in 1982; in 2002, Harsco's 40% stake was acquired by MSTC, making FSNL a wholly owned subsidiary of MSTC Ltd.

Pursuant to a competitive disinvestment, a Share Purchase Agreement dated 24.10.2024 led to transfer of 100% shareholding from MSTC Ltd. to Konoike Transport Co., Ltd., Japan, completed per Board approval on 21.01.2025.

"Konoike Transport Co., Ltd., founded in 1880 and headquartered in Osaka, Japan, is a diversified logistics company engaged in steel, food, medical, airport, and international freight services. It operates under the 'Integrated Innovation' model and is pursuing long-term growth through its KONOIKE 2030 Vision with a strong focus on sustainability."

The sector continues to be driven by domestic steel capacity additions, higher scrap utilization, operational outsourcing, and stronger EHS and circularity norms—supporting steady demand for specialized scrap management services.

FSNL has implemented an Integrated Management System (IMS) covering ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 at its Corporate Office and various Steel Plant project sites across the country. The certification is valid up to 18.03.2028

Expansion/ New projects:

Expansion in Existing Customer Steel Plant:

FSNL Private Limited has commenced operations at its new Nagarnar Unit, following the award of a long-term contract from NMDC Integrated Steel Plant, Nagarnar, for handling and processing of iron & steel slag and scrap. With this addition, FSNL is well positioned to further strengthen its services to Steel Plants.

The Company is also pursuing diversification in the following areas:

- Value addition and utilization of SMS Slag
- Operation and maintenance of various shops inside Steel Plants
- Crushing and screening of Iron Ore in Mines

- Overburden removal and coal excavation in open cast Coal Mines
- Manufacturing of soil conditioner from SMS Slag
- BOO projects for MRP and SSP Plants
- BOO basis projects for Briquette and Micro Pellet Plants

Further, FSNL has received an LOI from JSW Dolvi for Installation, Operation & Maintenance of Metal Recovery Plant and Slag to Sand Plant on BOO basis for 15 years. The Contract Agreement is to be signed shortly.

FSNL is geared up to handle increasing slag and scrap from expanding Steel Plants through recovery, processing, and fleet modernization.

Strength and Weakness:

Strength

- Core competence in metal scrap recovery bulk material handling.
- Disciplined & skilled workforce with good work culture.
- Highest market shares in its core line of business.
- Trust of regulatory statutory body customer being a PSU company.
- History of very good relationship with the customer.
- Ability to induct and assimilate new technologies as per requirement/situation.
- Availability of heavy equipments which are also useful in other sectors i.e. mines, coal, metals etc.

Weakness

- Inconsistent requirement / demand of customer.
- Absence of long term assured business.
- Business cycle effect and volatility in the steel sector.

Outlook :

Inadequate utilization of large volume of unaccountable/non-segregated scrap is resulting in depletion of natural resources and occupying precious space in the form of huge dump at many Steel Plants viz. Bhilai Steel Plant and Bokaro Steel Plant.

FSNL has ample opportunities to convert these huge volumes of unrecovered metal scrap into secondary raw materials for manufacturing of end products.

FSNL has plan for improvement in productivity and efficiency by adopting the following mechanisms:

- a) Induction of rock breaker attachment for loosening of hard slag in slag pit in place of loosening the hard slag by conventional method of balling with the help of a magnet crane.
- b) Induction of shear attachment for further processing of mill rejects at WRM mills in place of conventional processing by manual gas cutting for faster and safe processing of mill rejects.

Opportunities and threats:

Opportunities:

- Capacity expansion of customer steel plant
- Venture in other sectors and diversification of business to similar area like mines, coal, metal etc.

Threats:

- Reduction of metallic in input to FSNL with modernization of steel plants and introduction of advanced technology.
- Compulsion of working in hazardous and adverse working conditions.
- Demand of services by the customers within stringent time schedule.

Risks & Concerns:

- 1) The area of concern for FSNL is the reduction in quantity of scrap due to modernization of steel making technology and operational discipline.
- 2) Single line of business and FSNL's performance is directly related to the business cycle of Steel industry.
- 3) undercutting by small size entities to fetch the similar nature of work.
- 4) Due to increase in cost of various input material like HSD, consumables, equipment, spares and wages, the operational cost has increased significantly, whereas service charge rates of SAIL Steel Plants have not been revised to compensate the inflation.
- 5) All existing Work contracts awarded to FSNL on a nomination basis are under judicial review. The court has ruled that under the new management, FSNL will no longer receive preferential treatment for processing scrap from Steel Authority of India Limited (SAIL). FSNL will now need to compete in the open market for scrap processing work from SAIL

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE.

During the year the company was engaged in the business of scrap recovery and allied jobs for various steel plants in India which was as per IndAS 108 is considered the reportable business segment. Beside scrap recovery and allied jobs, the company has not rendered any other services during the year under review. The geographical segmentation is not relevant, as the company has no business operation outside India.

Identification of segments:

The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of

geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment transfers:

The company generally accounts for intersegments sales and transfers as if the sales or transfers were to third parties at current market costs.

Unallocated items:

The Corporate and other segments include general corporate income and expense items which are not allocated to any business segment.

REVIEW OF FINANCIAL PERFORMANCE

FSNL achieved a Total Revenue of ₹ 47673.92 lakhs inclusive of Service charges of ₹ 45895.18 lakhs during the Financial Year (FY) 2024-25, an increase of 1.93 % as compared to the corresponding period of last year (CPLY) of total Revenue of ₹ 46771.77 lakhs inclusive of Service charges of ₹ 43461.01 lakhs.

During the Financial Year (FY) 2024-25, the Profit before Tax and Profit after Tax were ₹ 8455.77 lakhs and ₹ 6296.40 lakhs as compared to the Profit before Tax and Profit after Tax of the corresponding period of last year (CPLY) of ₹ 8811.70 Lakhs and ₹ 6596.31 Lakhs . a decreased by 4.04 % and 4.55 % respectively over last year. The comparative performance of major financial parameters during the FYs 2024-25 and 2023-24 is given below:

FINANCIAL HIGHLIGHTS	(₹ lakhs)	
	2024-25	2023-24
Particulars		
Total Revenue	47673.92	46771.77
Revenue from operation	45895.18	43461.01
Earnings before depreciation, interest and tax (EBIDTA)	10202.10	10541.04
Depreciation	1716.74	1698.41
Finance cost	29.59	30.93
Profit / (Loss) before tax (PBT)	8455.77	8811.7
Provision for tax / Income Tax refund and deferred tax asset (-)	2159.37	2215.39
Profit / (Loss) after tax (PAT)	6296.40	6596.31
Other Comprehensive Income	(333.38)	(43.70)
Total Comprehensive Income (+)/loss (-)	5963.02	6552.61
Net worth	32091.94	25839.24
EBIDTA to Revenue from operation (Operating Profit Margin) (%)	22.23	24.25
Net Profit Margin (%)	13.21	14.10
Return (PAT) on Net Worth (%)	19.62	25.53

Earnings per share of ₹10/-each	19.68	20.61
Current ratio	3.30	2.97

HUMAN RESOURCES DEVELOPMENT

In order to enhance the skills & knowledge of the employees at all levels, acquainting them with the day-to-day developments in the industrial scenario, various Internal & External training programmes were organized for the employees (Executives as well as Non-executives) through reputed training institutions, on the basis of the yearly training schedule prepared and requirements received through various Departmental Heads.

During the year 2024-25, total 467 man-days were utilized for imparting training to the employees in the area of enhancement of their skills & managerial capabilities.

SKILL DEVELOPMENT

In compliance with the provisions of Apprenticeship Act, 1961 and in adherence of Govt. Guidelines, we have been engaging Graduate and Trade apprentices in our establishment. Six units of FSNL located at Rourkela, Burnpur, Bhilai, Bokaro, Vizag and Durgapur are registered on Apprenticeship Training portal under Ministry of Skill Development and Entrepreneurship for deployment of Trade Apprentice. FSNL is also registered on NATS portal of Board of Apprenticeship Training under Ministry of Education for deployment of Graduate apprentices.

As per the provisions made under Apprentices Act, 1961, it is obligatory on the part of enterprises to engage apprentices in a band of 2.5 % to 15% of the manpower strength. During the financial year 2024-25, total 47 nos of apprentices have been engaged. The details are indicated hereunder: -

Total Manpower Strength as on 01.04.2024	Total No. of apprentices engaged (Graduate & Trade apprentices) during 01.04.2024 to 31.03.2025	Percentage of Apprentices engaged
447	47	10.51 %

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The company has an efficient and sound system of internal control to monitor the activities of the company to achieve the business objectives with accuracy, clarity and transparency of financial reporting. Present internal control ensures statutory compliance with rules, laws and regulations and with the laid down policies and procedures of the company.

To ensure independence to the internal control system, internal audit functions emphasizing transparency in the system and therefore, internal audit of the company is entrusted to independent external firms of Chartered Accountants/ Cost Accountants. The reports of the internal audit are periodically submitted to the management for improvement, appraisal and remedial measures, if any.

FURTHER DISCLOSURES AS PER CORPORATE GOVERNANCE GUIDELINES:

1. There is no material significant related party transaction that may have potential conflict with the interest of the company.

2. Instances of non-compliance by the company has been observed and duly reported. No statutory authority has issued any strictures or levied penalty or any matter related to any guidelines issued by the Government during the last three years.
3. The Company has formulated a whistle blower policy in line with Government guidelines duly approved by the board. No person has been denied personal access to Audit Committee and no one has reported anything under this policy.
4. The Corporate Governance Guidelines has been complied to the extent applicable to the Company.
5. All Presidential guidelines have been complied with by the company for the year and also during the last three years.
6. No items of expenditure have been debited in books of accounts which are not for the purpose of business.
7. No expenses are incurred which are personal in nature for the Board of Directors and Senior Management.
8. The financial results are available in the website of the company i.e. www.fsnl.co.in
9. The company has been privatized following the transfer of 100% shareholding to Konoike Transport Co., Ltd., Japan, effective from 21.01.2025, marking the completion of the strategic disinvestment process.
10. Post-privatization, the name of the company has been changed from Ferro Scrap Nigam Limited (FSNL) to FSNL Private Limited with effect from 29.04.2025.

Company Identification Number (CIN)

The CIN of the Company is: **U27102CT1979FTC005468**

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives and expectations may be forward looking statements. Actual results may differ materially from those expressed or implied which could make a difference to the company's operations including continuation of business on nomination basis from the public sector steel plant

For and on behalf of Board of Directors



Toshihiro Fujiwara
Chairman and Director
DIN: 10903855

Place: Bhilai
Date: 10.07.2025

ANNEXURE – II TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY

The philosophy of the company in relation to corporate governance is to ensure transparency, disclosures and reporting and to promote ethical conduct throughout the organization. It recognizes that the Board is accountable to shareholder and each member of the Board owes his first duty to protect and further the interest of the Company.

VISION

The Company has a vision to increase its operational horizon by expanding the existing business to provide better services to its customer and to make the company competitive.

MISSION

The Mission of the Company is to generate "Wealth from Waste".

OBJECTIVES

The Company's objective is to remain a market leader in the field of waste recycle management in the steel industry.

BOARD OF DIRECTORS:

COMPOSITION :

The Composition of the Board as on 31.03.2025 was consisting of Shri Toshihiro Fujiwara (DIN: 10903855) as Chairman and Non-Executive Director, Shri Kazuhiro Hasumi (DIN: 10140115) as Non-Executive Director, Shri Katsufumi Ohtsuki (DIN-05309896) as Non-Executive Director and Shri Yukihiro Momose (DIN: 10909033) as Executive Director.

Shri Manobendra Ghoshal (DIN: 09762368) as Chairman and Managing Director, Smt. Bhanu Kumar (DIN: 7982360) as nominee Director of MSTC Limited, Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned from the Board w.e.f 21.01.2025

None of the Directors on the Board is member in more than Ten (10) committees or acts as Chairman of more than Five (5) committees across all the companies in which he is a director.

BRIEF INFORMATION OF THE NEWLY APPOINTED DIRECTORS.

Shri Toshihiro Fujiwara

Shri Toshihiro Fujiwara (DIN: 10903855) was appointed as a Non-Executive Director and Chairperson of the Company with effect from 21.01.2025.

He has obtained his LL.B. degree from Doshisha University, Japan

Shri Kazuhiro Hasumi

Shri Kazuhiro Hasumi (DIN:- 10140115) was appointed as a Non-Executive Director of the Company with effect from 21.01.2025. He also serves as the Managing Director of Konoike India Private Limited and is a Director in Joshi Konoike Transport and Infrastructure Private Limited.

He has obtained his BBA Chiba University of Commerce.

Shri Katsufumi Ohtsuki

Shri Katsufumi Ohtsuki (DIN- 05309896) as Non-Executive Director the Company with effect from 21.01.2025.

He holds an MBA from Vanderbilt University, USA, and an LL.B. from Tohoku University, Japan.

Shri Yukihiro Momose

Shri Yukihiro Momose (DIN- 10909033) as Executive Director the Company with effect from 21.01.2025.

He has pursued Economics Studies at Nishogakusha University, Japan (partially completed)

DIRECTORSHIP HELD BY THE DIRECTORS:

Shri Toshihiro Fujiwara (DIN: 10903855) is the Chairman-cum-Director on the Board of FSNL Private Limited. He does not hold directorship in any other Company.

Shri Kazuhiro Hasumi (DIN: 10140115) is a Director on the Board of FSNL Private Limited. He also serves as the Managing Director of Konoike India Private Limited and as a Director in Joshi Konoike Transport and Infrastructure Private Limited.

Shri Katsufumi Ohtsuki (DIN- 05309896) is the Director on the Board of FSNL Private Limited. He does not hold directorship in any other Company.

Shri Yukihiro Momose (DIN- 10909033) is the Director on the Board of FSNL Private Limited. He does not hold directorship in any other Company.

REMUNERATION TO THE DIRECTORS

The Independent, Government Nominee and Nominee Director of MSTC Limited do not have any material pecuniary relationship or transactions with the Company. However, the Independent Director is paid the sitting fees at a rate fixed by the Board within the limits as prescribed under the Companies Act, 2013 and daily allowance for attending the meetings of the Board and Committees of Directors. Presently sitting fee of

Rs.15,000/- is being paid to the Independent Director for attending each meeting of the Board and Committees of Directors.

The Government Nominee and Nominee Director of MSTC Limited are not entitled to any remuneration or sitting fee from the Company.

And, as regards the remuneration of the Managing Director, the pay scale of the Managing Director and terms of appointment are fixed by the Ministry of Steel on appointment.

After privatization, the pay scale of the Independent Director and the remuneration of the Managing Director will no longer be determined by the Ministry of Steel. Instead, these will be decided in accordance with the provisions of the Companies Act, 2013.

Board / Committee Meetings and Procedure:

a) Scheduling and selection of Agenda items for Board / Committee Meetings.

- i) The Meetings are scheduled in consonance with the approval of all the Directors and by giving appropriate notice after requisite approval of the Chairman of the Board/Committee or Managing Director. The Board of Directors ratifies rescheduling the time and venue of the meeting and shorter notice (if any) in accordance with the provisions of the Companies Act, 2013 and Secretarial Standard. The Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the members to facilitate meaningful, informed and focused decisions at the meetings. The Board also passes Resolution by circulation for the permissible business items.
- ii) The agenda papers are prepared by the concerned head of the department and submitted to the Managing Director for obtaining approval. Duly approved agenda papers are circulated amongst the Board members by the Company Secretary.
- iii) Under certain circumstances additional or supplementary item(s) on the agenda are taken up for discussion with the permission of the Chairman and majority of Directors including one Independent Director.

b) Compliances:

Each Head of the Department ensures adherence to the provisions of applicable of laws, rules, guidelines etc. pertaining to their domain.

BOARD MEETING & ATTENDANCE :

During the financial year ended on 31st March 2025, Eight board meetings were held and the maximum time gap between any two meetings was not more than one hundred and twenty days.

Details of the Directors attendance at the Board Meetings of the company held in the financial year 2024-2025.

Name of Director	Shri Manobendra Ghoshal (DIN: 09762368)	Smt. Bhanu Kumar (DIN: 07982360)	Shri Ashwini Kumar (DIN: 07598593)	Shri Adya Prasad Pandey (DIN: 09347851)	Shri Toshihiro Fujiwara (DIN:- 10903855)	Shri Kazuhiro Hasumi (DIN:- 10140115)	Shri Katsufumi Ohtsuki (DIN:- 05309896)	Shri Yukihiro Momose (DIN:- 10909033)
205 th Board Meeting held on 21.05.2024	Attended	Attended	Attended	Attended	NA	NA	NA	NA
206 th Board Meeting held on 09.08.2024	Attended	Attended	Attended	Attended	NA	NA	NA	NA
207 th Board Meeting held on 09.10.2024	Attended	Attended	Attended	Attended	NA	NA	NA	NA
208 th Board Meeting held on 05.11.2024	Attended	Attended	Attended	N	NA	NA	NA	NA
209 th Board Meeting held on 19.12.2024	Attended	Attended	Attended	NA	NA	NA	NA	NA
210 th Board Meeting held on 15.01.2025	Attended	Attended	Attended	NA	NA	NA	NA	NA
211 th Board Meeting held on 21.01.2025	Attended	Attended	Attended	NA	Attended	Attended	NA	NA
212 nd Board Meeting held on 21.01.2025	NA	NA	NA	NA	Attended	Attended	Attended	Attended

Note:-

1. Shri Toshihiro Fujiwara (DIN: 10903855) was appointed as Non-Executive Director and Chairperson of the Company with effect from 21.01.2025. Shri Kazuhiro Hasumi (DIN: 10140115) was appointed as Non-Executive Director with effect from 21.01.2025. Shri Katsufumi Ohtsuki (DIN: 05309896) was appointed as Non-Executive Director with effect from 21.01.2025. Shri Yukihiro Momose (DIN: 10909033) was appointed as Executive Director with effect from 21.01.2025.
2. Shri Adya Prasad Pandey (DIN: 09347851), Independent Director, resigned from the Board with effect from 01.11.2024. Further, Shri Manobendra Ghoshal (DIN: 09762368) resigned as Chairman-cum-Managing Director, Smt. Bhanu Kumar (DIN: 07982360) resigned as Nominee Director, and Shri Ashwini Kumar (DIN: 07598593) resigned as Government Nominee Director with effect from 21.01.2025.

Information placed before the Board of Directors:

The Board of Directors has complete access to information within the Company. The information inter alia regularly supplied to the Board includes:

- Annual operating plans and Budgets and any updates.
- Capital Budget, Revenue Budget and any updates.
- Periodical physical and financial performance of the company.
- Formation / Reconstitution of Board Committees

- Appointment, change in nomination and resignation of Directors and KMP.
- Dividend declaration.
- Significant changes in accounting policies and internal controls.
- Minutes of the Meeting of the Board and other Committees of the Board of the company.
- Periodical details of investment made.
- Disclosure of interest by Directors.
- Any Significant development in Human Resources / Industrial Relations viz wage agreement, Additional Resource Generation Scheme.
- The information on legal cases pending in different courts.
- The information on pending cases under fiscal laws such as Service Tax, VAT, Income Tax etc.
- Action Taken Report.
- Approval of quarterly and annual accounts, analysis of Sundry debtors, Survey of Assets.
- Pending dues of MSME, statutory dues and salary/ wages of Employees, Quarterly Statutory Compliance reports.
- Corporate Plan.

GENERAL BODY MEETINGS HELD DURING THE LAST THREE YEARS

Type of Meeting	Date	Time	Venue	Special Resolution Passed
43 rd AGM	16 th September, 2022	11.30 A.M.	Registered Office, Bhilai, Chhattisgarh	Nil
44 th AGM	05 th September, 2023	11.30 A.M.	Registered Office, Bhilai, Chhattisgarh	Nil
45 th AGM	12 th September, 2024	11.30 A.M.	Registered Office, Bhilai, Chhattisgarh	Nil

Shri Manobendra Ghoshal, Chairman and Managing Director, Shri Ashwini Kumar, Govt. Director, Smt. Bhanu Kumar, Nominee Director and Shri Adya Prasad Pandey, Independent Director were present at the 45th Annual General Meeting of the Company held on 12th September 2024.

COMMITTEES OF THE BOARD

Shri Adya Prasad Pandey (DIN: 09347851), Independent Director, resigned from the Board with effect from 01.11.2024. Consequently, the Audit Committee and the Nomination & Remuneration Committee were dissolved due to the absence of an Independent Director, and their functions were undertaken by the Board of Directors of FSNL. Subsequently, after the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, the Audit and Nomination & Remuneration Committees stood fully dissolved.

The CSR Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director and their functions were undertaken by the Board of Directors of FSNL. Subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on

21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two members.

Following the 100% Strategic Disinvestment of Ferro Scrap Nigam Limited (FSNL), only one Committee is presently prevailing, namely the Corporate Social Responsibility (CSR) Committee. The disinvestment concluded in 21.01.2025 with the sale of 100% equity to Japan's Konoike Transport Co., Ltd. for ₹320 crore. The process, approved in September 2024, resulted in the transfer of FSNL's management control to Konoike, and a new Board led by the strategic partner has since taken over.

AUDIT COMMITTEE:

The Board of Directors of the Company, at its meeting held on 05.11.2024, dissolved the Audit Committee due to the absence of an Independent Director, with its functions being undertaken by the Board of Directors of FSNL. Subsequently, after the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, Audit Committee stood fully dissolved.

The composition of the Audit Committee during the financial year 2024-2025 is given below:

Name of Member	Designation	Category
Shri Adya Prasad Pandey (DIN:09347851) Upto 01.11.2024	Chairman	Independent Non-Executive Director
Smt. Bhanu Kumar (DIN: 07982360)	Member	Nominee Director
Shri Ashwini Kumar (DIN- 07598593)	Member	Non-Executive Director

Subsequently, after the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, Audit Committee stood fully dissolved.

The member of the Audit Committee is financially literate and possesses expertise in accounting and financial management. The Company Secretary serves as the Secretary to the Audit Committee. The terms of reference of the Committee are in line with the DPE Guidelines issued on Corporate Governance. During the financial year ended on 31st March, 2025, four meetings of the Audit Committee were held. The following table gives details of meeting and attendance of the Audit Committee Members:

Name of Director	Shri Adya Prasad Pandey (DIN: 08365082) Upto 01.11.2024	Smt. Bhanu Kumar (DIN: 07982360)	Shri Ashwini Kumar (DIN- 07598593)
54th Meeting held on 21.05.2024	Attended	Attended	Attended
55th Meeting held on 09.08.2024	Attended	Attended	Attended
56th Meeting held on 09.10.2024	Attended	Attended	Attended
57th Meeting held on 05.11.2024	NA	Attended	Attended

The Audit Committee had not complied the criteria regarding the minimum number of Independent Directors as laid down under the Guidelines issued by Department of Public Enterprise as well as the provisions of the Companies Act, 2013.

Note: - The Audit Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. In the absence of an Independent Director, the Board of Directors of FSNL, at its meeting held on the same date, resolved that the functions of the Audit Committee would be undertaken by the Board. Subsequently, upon the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, Audit Committee stood fully dissolved. , Smt. Bhanu Kumar (DIN: 7982360) as nominee Director of MSTC Limited, Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned w.e.f 21.01.2025

CSR MONITORING COMMITTEE:

The CSR Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. In the absence of an Independent Director, the Board of Directors of FSNL subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on 21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two members. Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned w.e.f 21.01.2025

The composition of the CSR Monitoring Committee during the financial year 2024-2025 is given below:

Name of Member	Designation	Category
Shri Adya Prasad Pandey (DIN:09347851) Upto 01.11.2024	Chairman	Independent Non-Executive Director
Smt. Bhanu Kumar (DIN: 07982360)	Member	Nominee Director
Shri Ashwini Kumar (DIN:07598593)	Member	Non-Executive Director
Shri Toshihiro Fujiwara (DIN: 10903855) (w.e.f 21.01.2025)	Member	Non-Executive Director
Shri Kazuhiro Hasumi (DIN: 10140115) (w.e.f 21.01.2025)	Member	Non-Executive Director

During the financial year ended on 31st March 2025, one meetings of the CSR Monitoring Committee were held as detailed below:

Name of Director	Shri Adya Prasad Pandey (DIN: 08365082) Upto 01.11.2024	Smt. Bhanu Kumar (DIN: 07982360)	Shri Ashwini Kumar (DIN- 07598593)	Shri Toshihiro Fujiwara (DIN: 10903855) (w.e.f 21.01.2025)	Shri Kazuhiro Hasumi (DIN: 10140115) (w.e.f 21.01.2025)
31st Meeting held on 08.08.2024	Attended	Attended	Attended	NA	NA

Based on the recommendation of the CSR Monitoring Committee, the Corporate Social Responsibility Policy (CSR Policy) has been adopted by the Company.

The CSR Policy of the company is available on the website of the company at <https://www.fsnl.co.in/> at web link https://www.fsnl.co.in/pdf/CSR_Policy.pdf

The terms of reference of the CSR Monitoring Committee were framed in line with the applicable DPE Guidelines on Corporate Governance. However, upon privatization of FSNL with effect from 21.01.2025, the applicability of DPE Guidelines ceased, and accordingly, the requirement to follow the said Guidelines no longer apply.

Note: - Following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director, the CSR Committee stood dissolved. In the absence of an Independent Director, the Board of Directors of FSNL. Subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on 21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two members.

NOMINATION AND REMUNERATION COMMITTEE: (Formerly known as Remuneration Committee)

The Board of Directors of the Company, at its meeting held on 05.11.2024, dissolved the Nomination and Remuneration Committee due to the absence of an Independent Director, with its functions being undertaken by the Board of Directors of FSNL. Subsequently, after the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, the NRC Committee stood fully dissolved.

The composition of the Nomination & Remuneration Committee during the financial year 2024-2025 is given below:

Name of Member	Designation	Category
Shri Adya Prasad Pandey (DIN:09347851) Upto 01.11.2024	Chairman	Independent Non-Executive Director
Smt. Bhanu Kumar (DIN: 07982360)	Member	Nominee Director
Shri Ashwini Kumar (DIN- 07598593)	Member	Non-Executive Director

During the financial year ended on 31st March 2025, two meeting of the Nomination & Remuneration Committee were held as detailed below:

Name of Director	Shri Adya Prasad Pandey (DIN: 08365082)	Smt. Bhanu Kumar (DIN: 07982360)	Shri Ashwini Kumar (DIN- 07598593)
29th Meeting held on 08.08.2024	Attended	Attended	Attended
30th Meeting held on 09.10.2024	Attended	Attended	Attended

The Remuneration Committee had not complied the criteria regarding the minimum number of Independent Directors as laid down under the Guidelines issued by Department of Public Enterprise as well as the provisions of the Companies Act, 2013.

Note: - The Remuneration Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. In the absence of an Independent Director, the Board of Directors of FSNL, at its meeting held on the same date, resolved that the functions of the Remuneration Committee would be undertaken by the Board. Subsequently, upon the transfer of management and shares from MSTC to Konoike Transport Company Limited on 21.01.2025, the NRC Committee stood fully dissolved. Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned w.e.f 21.01.2025

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As there was only one Independent Non-Executive Director on the Board, the separate meeting of Independent Directors did not take place during FY 2024-25. The said Director resigned w.e.f. 01.11.2024. Further, after privatization of the Company w.e.f. 21.01.2025, the requirement for appointment of an Independent Director under the Companies Act, 2013 ceased to be applicable.

Compliance with Accounting Standards:

Financial statements have been prepared in accordance with relevant Accounting Standard issued by the Institute of Chartered Accountants of India.

INTERNAL CONTROLS

The company has an efficient system of internal control for achieving the business objectives of the company which inter-alia includes accuracy and promptness of financial reporting. Efficiency of operations, compliance with the laid down policies and procedures and compliance with law and regulations.

To ensure independence to the internal audit function emphasizing transparency in the systems and internal controls, the internal audit of the company is entrusted to independent external firms of Chartered Accountants. The reports of Internal Audit are periodically submitted to the management for appraisal, improvement and remedial measures, if any.

CODE OF CONDUCT:

The Company had formulated a comprehensive Model Code of Business Conduct and Ethics for Board Members and Senior Management Personnel in line with the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE). The Code was circulated to all Directors and Senior Management Members. All Board Members and designated Senior Management Personnel affirmed compliance with the Code, and a declaration to this effect, signed by the Chairman and Director, is provided at the end of this Report.

However, pursuant to the strategic disinvestment and consequent privatization of the Company with effect from 21.01.2025, the requirement to follow DPE Guidelines, including the Model Code of Business Conduct and Ethics, has ceased to apply.

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

In compliance with Corporate Governance Guidelines, the Board Members and the Senior Management Personnel have confirmed compliance with the MODEL CODE OF BUSINESS CONDUCT AND ETHICS for the Financial Year 2024-25.

Place: Bhilai

Date: 10.07.2025



Toshihiro Fujiwara

Chairman and Director

DIN: 10903855

IG & Associates

Company Secretaries

Office: 608-A, The One, 5, R.N.T. Marg, Indore-452001(M.P.)

E-mail: igassociatescs@gmail.com, Mob: 09009403008

ISHA GARG

B.Sc, FCS, MBA

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members of
FSNL Private Limited
(Formerly known as Ferro Scrap Nigam Limited)
Registered Office: FSNL Bhawan,
Equipment Chowk Central Avenue,
Bhilai, Durg, Dist: Durg, Chattisgarh, India, 490001
(CIN:U27102CT1979FTC005468)

I, have examined the compliance of conditions of Corporate Governance by FSNL Private Limited (Formerly known as Ferro Scrap Nigam Limited) (CIN:U27102CT1979FTC005468) (hereinafter called "the Company" or "FSNL") for the year ended 31st March, 2025, as stipulated in Guidelines on Corporate Governance ("the guidelines") for Central Public Sector Enterprises (CPEs) issued, by the Department of Public Enterprises (DPE), Government of India ("DPE Guidelines").

1. The compliance of conditions of corporate governance is the responsibility of the management. My examination has been limited to review of procedures and implementation thereof, adopted by the Company, for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
2. In my opinion and the best of my information and according to the explanation given to me, I certify that during the financial year ended 31st March, 2025, the Company has complied with applicable conditions of Corporate Law/Corporate Governance as stipulated.
3. I further state that Ferro Scrap Nigam Limited (a wholly owned subsidiary of MSTC Ltd) has successfully concluded with the transfer of 100% shares of Ferro Scrap Nigam Limited by MSTC to Konoike Transport Co. Ltd. (Japanese corporation listed on the Tokyo Stock Exchange) on dated 21.01.2025.
4. I further state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**FOR I G & ASSOCIATES
COMPANY SECRETARIES
F.R. NO.: I2013MP1054000**


**ISHA GARG
(PROPRIETOR)**

**M. NO: FCS 9955 CP: 12184
PEER REVIEW NO.: 914/2020
UDIN: F009955G000753214
PLACE: BHILAI
DATE : 10.07.2025**



ANNEXURE – III TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company.

VISION

In alignment with vision of the company, FSNL, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

OBJECTIVES

With the above vision, FSNL has formulated a CSR policy with the main objectives of directly or indirectly taking up programmes that benefit the communities in & around its work centers, which will result in enhancing the quality of life & economic well-being of the local population, to generate a community goodwill for FSNL and help reinforce a positive & socially responsible image of FSNL as a Corporate entity, to ensure an increased commitment at all levels in the organization, etc.

ALLOCATION OF FUND

Effective from 01.04.2014, at least 2.0% of the average net profits of the company made during the three immediately preceding financial years, shall be spent in each financial year towards discharge of Corporate Social Responsibility.

SELECTION & NEED ASSESSMENT OF CSR PROJECTS

The Selection of CSR & Sustainability project / activities depend upon the local needs as may be determined by the need identification studies or discussions with District Administration / local government / bodies / citizen's forums / NGOs/Trusts / Societies / Beneficiaries etc and the requests / applications are scrutinized and screened by the Corporate level CSR Committee.

The need assessment / baseline survey is carried out through in-house expertise and recourses.

APPROVAL OF CSR PROJECTS/ACTIVITIES

All the CSR projects / activities are recommended by the CSR Monitoring Committee and thereafter approved by the Board of Directors.

2. Composition of CSR Monitoring Committee:

During Financial Year 2024-25, Board Level Committee was constituted for CSR which was headed by an Independent Director. The Composition of the Committee is decided by the Board of Directors of the Company. The CSR Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. Subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on 21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two member. The details of the Committee and meetings held during the year are as follows:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Adya Prasad Pandey (DIN:09347851) Upto 01.11.2024	Chairman (Independent Non-Executive Director)	1	1
2.	Smt. Bhanu Kumar (DIN: 07982360)	Member (Non-Executive Director)		1
3.	Shri Ashwini Kumar (DIN:07598593)	Member (Non-Executive Director)		1
4.	Shri Toshihiro Fujiwara (w.e.f 21.01.2025)	Member (Non-Executive Director)		0
5.	Shri Kazuhiro Hasumi (DIN: 10140115) (w.e.f 21.01.2025)	Member (Non-Executive Director)		0

Note:- The CSR Committee was dissolved on 05.11.2024 following the resignation of Shri Adya Prasad Pandey (DIN: 09347851), Independent Director. Subsequently, upon the induction of Shri Toshihiro Fujiwara (DIN: 10903855) and Shri Kazuhiro Hasumi (DIN: 10140115) on 21.01.2025, the Corporate Social Responsibility Committee was reconstituted with two member. Smt. Bhanu Kumar (DIN: 7982360) as nominee Director of MSTC Limited, Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned w.e.f 21.01.2025

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

(a)	Composition of CSR committee	https://www.fsnl.co.in/CUCG.php
(b)	CSR Policy	https://www.fsnl.co.in/pdf/CSR_Policy.pdf
(c)	CSR projects	Nil

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Lakh)	Amount required to be set off for the financial year, if any (Rs. in Lakh)
1	2024-25	0	0
	Total	0	0

6. Average net profit of the company as per section 135(5) (Rs. in Lakh): 6457.74

7. Details of CSR obligation for the financial year.

Sl. No.	Particulars	Amount (Rs. in Lakh)
(a)	Two percent of average net profit of the company as per section 135(5)	129.15 (Rounded off to 130.00)
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year,	Nil
(c)	Amount required to be set off for the financial year, if any	130.00
(d)	Total CSR obligation for the financial year (7a+7b-7c)	130.00

8.(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs in Lakhs)	Amount Unspent (Rs. in Lakh)				
	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
136.77	NIL		NIL		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent to the current financial year (in Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District						Name	CSR Registration number
1	NIL											
	TOTAL	NIL										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation on Direct (Yeas/ No.	Mode of implantation through implementing agency	
				State	District			Name	CSR registration number
1	NIL								
	Total	NIL							

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year : 136.77 Lakhs
(8a+8b+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. in Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	129.15 (Rounded off to 130.00)
(ii)	Total amount spent for the Financial Year	136.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	6.77
(iv)	Surplus arising out of the CSR projectors or programmes or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	6.77

***Note:-** The Company has distributed six ambulances as part of its commitment to the 'Health and Nutrition' theme approved by the Department of Public Enterprises (DPE) for Corporate Social Responsibility (CSR) activities in the financial year 2024-25, as per the Office Memorandum (OM) F. No. 8/2/2018-Dir (CSR) dated 15th March 2024

9. (a) Details of Unspent CSR amount for preceding three financial year:

Sl. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amt. (in Rs.)	Date of Transfer.	
1.	NIL						

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding financial year (s):

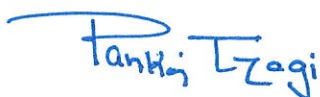
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed / Ongoing
1	NIL								
	TOTAL	NIL							

10. In case creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s) : Not applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset. : Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

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



(Shri Pankaj Tyagi)
GM (P&A)/Law



(Shri Toshihiro Fujiwara,
Member) Chairman and Director



(Shri Kazuhiro Hasumi,
Member) Director

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2025

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

FSNL PRIVATE LIMITED

(FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED)

(CIN: U27102CT1979FTC005468)

**Registered Office: FSNL Bhawan, Equipment Chowk Central Avenue,
Bhilai, Durg, Dist: Durg, Chattisgarh, India, 490001**

SECRETARIAL AUDITOR

CS ISHA GARG

M/s I G & ASSOCIATES

Company Secretaries

Office: 608-A, The One, 5 R.N.T. Marg, Indore-452001(MP)

Ph. 0731-4041303 Mob: 09009403008

e-mail:igassociatescs@gmail.com

FORM NO. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2025**

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

To,
The Members of
FSNL Private Limited
(Formerly known as Ferro Scrap Nigam Limited)
Registered Office: FSNL Bhawan,
Equipment Chowk Central Avenue,
Bhilai, Durg, Dist: Durg, Chattisgarh, India, 490001
(CIN:U27102CT1979FTC005468)

I, have conducted the Secretarial Audit of the compliance applicable statutory provisions and the adherence to good corporate practices by FSNL Private Limited (Formerly known as Ferro Scrap Nigam Limited) (CIN:U27102CT1979FTC005468) (hereinafter called "the Company" or "FSNL") Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanation and clarification given to me and the representation made by the management. I hereby report that in my opinion the company has during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under read with modifications, exemptions and clarifications thereto;
- (ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made there under; the Company is being an unlisted Company during the Audit period. The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made there under are not applicable to the Company during the financial year under review.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) *The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act'): (The Company being an unlisted Company during the Audit Period the following Regulations and Guidelines are not applicable the Company.)*



- (a) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended from time to time. Not Applicable.*
- (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Not Applicable.*
- (c) *The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations 2018, as amended from time to time. Not Applicable.*
- (d) *The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014. Not Applicable.*
- (e) *The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. Not Applicable.*
- (f) *The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. Not Applicable.*
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. Not Applicable.*
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. Not Applicable.*

During the period under review the company has generally complied with the provisions of specific Laws applicable to the company. The Management has identified and confirmed that following laws are specifically applicable to the company. I have obtained representation/certificate for compliances applicable laws and I rely on the same.

- i. The Factories Act, 1948
- ii. The Industrial Disputes Act, 1947
- iii. The Payment of Wages Act, 1936
- iv. The Minimum Wages Act, 1948
- v. The Employees State Insurance Act, 1948
- vi. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- vii. The Payment of Bonus Act, 1965
- viii. The Payment of Gratuity Act, 1972
- ix. The Contract Labour (Regulation and Abolition) Act, 1970
- x. The Maternity Benefit Act, 1961
- xi. The Child Labour (Prohibitions and Regulation) Act, 1986
- xii. The Industrial Employment (Standing Order) Act, 1946
- xiii. The Employees Compensation Act, 1923 (Workman's Compensation Act, 1923)
- xiv. The Apprentices Act, 1961
- xv. The Equal Remuneration Act, 1976
- xvi. The Employment Exchange (Compulsory Notification of Vacancies Act, 1959
- xvii. The Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013.



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

- (i) Secretarial Standard issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Exchange read with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time. *The Company is not a listed entity hence provisions of this regulations are not applicable to the company.*

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

I further report that:

M/s Ferro Scrap Nigam Limited (a wholly owned subsidiary of MSTC Ltd) has successfully concluded with the transfer of 100% shares of Ferro Scrap Nigam Limited by MSTC to Konoike Transport Co. Ltd. (Japanese corporation listed on the Tokyo Stock Exchange), the Board of Directors of the Company is constituted with proper balance of Director, Non- Executive Directors and KMP's.

The changes in composition of the Board of Directors that took during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meeting and all instances of dispatch of notice or agenda for shorter period were ratified by the Board and recorded in the minutes. Further a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the meeting of the Board of Directors of the Company, including the resolution approved through circulations if any were carried through on the basis of majority, and dissenting members, views, where any, were recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that:

The Compliance by the company for the applicable financial Laws like Direct Taxes, Indirect Tax, and the Compliance of the Accounting Standards and the Annual Financial Statements and records has not been reviewed in this audit report, since the same have been subject of the statutory financial audit/internal audit by other designated professional.

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

I further report that during the audit period:

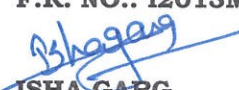


FSNL was a wholly owned subsidiary of MSTC Limited (MSTC), a Central Public Sector Enterprise (CPSE) of the Government of India.

In compliance with the provisions of the Share Purchase Agreement dated 24 October 2024 executed among MSTC Limited, Konoike Transport Co., Ltd. and the Company, Konoike Transport Co., Ltd. has purchased and acquired all of the Company's equity shares (representing 100% of the total issued, subscribed and fully paid- up equity share capital of the Company) from MSTC Limited, and MSTC Limited has sold and transferred all of the shares to Konoike Transport Co., Ltd., on a spot delivery basis on 21st January 2025.

As a result, the Company has converted from Public Sector Undertaking to Private Limited Company and consequently the name of the Company has changed to "FSNL Private Limited" vide new certificate of incorporation obtained from the Registrar of Companies approved on April 29, 2025.

**FOR I G & ASSOCIATES
COMPANY SECRETARIES
F.R. NO.: I2013MP1054000**


ISHA GARG

(PROPRIETOR)

M. NO: FCS 9955 CP: 12184

PEER REVIEW NO.: 914/2020

UDIN: F009955G000753060

PLACE: BHILAI

DATE : 10.07.2025



Note: This report is to be read with our letter dated 10.07.2025 which is annex as (Annexure I) and forms and integral part of this report.

IG & Associates

Company Secretaries

Office: 608-A, The One, 5, R.N.T. Marg, Indore-452001(M.P.)

E-mail: igassociatescs@gmail.com, Mob: 09009403008

ISHA GARG

B.Sc, FCS, MBA

Annexure - I

To,
The Members of
FSNL Private Limited
(Formerly known as Ferro Scrap Nigam Limited)
Registered Office: FSNL Bhawan,
Equipment Chowk Central Avenue,
Bhilai, Durg, Dist: Durg, Chattisgarh, India, 490001
(CIN:U27102CT1979FTC005468)

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

1. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices followed provide a reasonable basis for forming our opinion.
3. I have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof compliance of the applicable IND-AS, financial records and Books of Accounts of the company as the same is subject to the Statutory Audit being performed by the Independent Auditors.
4. Wherever required, we have obtained the management representation/certificates/data Information about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.
7. I do not take any responsibility for any person if taking any commercial, financial or investment decision based on our Secretarial Audit Report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.
8. I have relied on electronic and soft copies of documents as produced for verification of compliances of various laws.

**FOR I G & ASSOCIATES
COMPANY SECRETARIES
F.R. NO.: I2013MP1054000**

ISHA GARG
ISHA GARG

(PROPRIETOR)

M. NO: FCS 9955 CP: 12184

PEER REVIEW NO.: 914/2020

UDIN: FO09955G000753060

PLACE: BHILAI

DATE : 10.07.2025



Form No. MGT-9

EXTRACT OF ANNUAL RETURNAS ON THE FINANCIAL YEAR ENDED ON 31.03.2025

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U27102CT1979FTC005468
ii.	Registration Date	28 /03/1979
iii.	Name of the Company	FSNL Private Limited (Formerly Known as Ferro Scrap Nigam Limited)
iv.	Category / Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office and contact details	FSNL BHAWAN, Equipment Chowk, Central Avenue, Post Box-37 Bhilai-490001. Telephone: 0788-2222474 / 2222475. E-mail: cs@fssl.co.in, web site: www.fssl.co.in
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES LIMITED, 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai - 400 070, Maharashtra, India. CIN L72400MH2017PLC444072 Ph.no : +022 4617 0911

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Metal Waste & Scrap recovery (recycling) services on a fees or contract basis- processing of Iron & steel scrap and slag handling including other mills services.	3830	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Konoike Transport Co., Limited	120001079182	Holding Company	100	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF									
b) Central Govt (PSU)	32000000	-	32000000	100	-	-	-	-	-100
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	32000000	-	32000000	100	-	-	-	-	-100
2) Foreign									
g) NRIs- Individuals									
h) Other- Individuals									
i) Bodies Corp.	-	-	-	-	32000000	-	32000000	100	100
j) Banks / FI									
k) Any Other....									
Sub-total (A)(2):-	-	-	-	-	32000000	-	32000000	100	100
Total Shareholding of Promoter (A) = (A)(1) + (A) (2)	32000000	-	32000000	100	32000000	-	32000000	100	100
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture									

Capital Funds									
i) Others (specify)									
	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)									
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas									
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)									
	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)									
	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	32000 000	-	32000 000	100	3200 0000	-	32000 000	100	100

ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	MSTC LTD. (PSU)	3200 0000	100	Nil	Nil	Nil	Nil	100
2.	Konoike Transport Co., Limited	Nil	Nil	Nil	3199 9999	99.99	Nil	99.99

3.	Konoike India Private Limited	Nil	Nil	Nil	1	Negligible	Nil	Negligible
	Total	32000000	100	Nil	32000000	100	Nil	100

iii.Change in Promoters' Shareholding (please specify, if there is no change

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	32000000	100	32000000	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for decrease (transfer of 100% shares on 21.01.2025):	On 21.01.2025, the management and 100% shareholding of FSNL Private Limited were transferred from MSTC Limited to Konoike Transport Company Limited. Subsequently, on the same date, Konoike Transport Company Limited transferred 1 (one) equity share to Konoike India Private Limited in order to comply with the minimum shareholder requirement prescribed under the Companies Act, 2013.			
	At the End of the year	32000000	100	32000000	100

iv.Shareholding Pattern of top ten Shareholders (other than Directors, Promoters And Holders of GDRs and ADRs):

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
For Each of the Top 10 Shareholders				
At the beginning of the year	N.A.	N.A.	N.A.	N.A.
Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	No Change		N.A.	

At the End of the year(or on the date of separation, if separated during the year)	N.A.	N.A.	N.A.	N.A.
--	------	------	------	------

v.Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year	None of the Directors and KMP holds any shares in FSNL.			
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc):	No Change		N.A.	
	At the End of the year	Nil	Nil	Nil	Nil

V.INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	Nil			
Change in Indebtedness during the financial year	Nil			
- Addition				
- Reduction				
Net Change	Nil			
Indebtedness at the end of the financial year	Nil			

i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	
Total (i+ii+iii)	Nil

Note : The Company used overdraft facility amounting to Nil (previous year Nil) against Fixed Deposit with Indian Bank and IDBI Bank, Bhilai Branch to meet its working capital.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	- - - -	
2.	Stock Option	-	
3.	Sweat Equity	-	
4.	Commission - as % of profit - others, specify...	-	
5.	Others, please specify	-	
6.	Total (A)	-	
	Ceiling as per the Act	-	

Note :

Shri Manobendra Ghoshal (DIN: 09762368) as Chairman and Managing Director, Smt. Bhanu Kumar (DIN: 7982360) as nominee Director of MSTC Limited, Shri Ashwini Kumar (DIN- 07598593) as Government Nominee Director has resigned from the Board w.e.f 21.01.2025

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Shri Adya Prasad Pandey, Independent Director	Total Amount
	<u>Independent Directors</u> • Fee for attending board committee meetings • Commission • Others, please specify	135000	135000
	Total (1)	135000	135000
	<u>Other Non-Executive Directors</u> • Fee for attending board committee meetings • Commission • Others, please specify	NA	NA
	Total (2)	0	0
	Total (B)=(1+2)	135000	135000

* The Non-Official Independent Directors were paid sitting fees within the limits as prescribed under the Companies Act, 2013.

Note : During the financial year 2024-25 no remuneration was paid by Company to any other Non-executive Director except Non-executive Independent Directors of the Company. Shri Adya Prasad Pandey (DIN: 09347851), Independent Director, resigned from the Board with effect from 01.11.2024

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Amount in Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Sumit Kumar Roy CFO	Shri Nishant Agrawal CS	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2800997.34	1292095.41	4093092.75

2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify	0	0	0
5.	Others, please specify			
	- HRA	277597.80	0	277597.80
	- Medical	93,783.00	0	93,783.00
	- Entertainment allowance	5285.00	0	5285.00
	- Performance Related Pay	643366.00	0	643366.00
6.	Total	38,21,029.14	12,92,095.41	51,13,124.55

Note:

Suitable disclosures to details of post-employment benefits and other long-term benefits are made in note no. 38 in the notes to the financial statements.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers In Default					
Penalty	None				
Punishment					
Compounding					

Place: Bhilai
Date:10.07.2025


 Toshihiro Fujiwara
 Chairman and Director
 DIN: 10903855



INDEPENDENT AUDITOR'S REPORT

To
The Members of
FSNL PRIVATE LIMITED (FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED)
(CIN : U27102CT1979FTC005468)

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of FSNL PRIVATE LIMITED (FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows and notes to the financial statement for the year ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act 2013 (" the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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



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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Management & Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



¶ Obtain an understanding of internal 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 Companies Act 2013, 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 management and Board of Directors.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order,2020 (" the Order ") , as amended , issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the " **Annexure –A** " a statement of the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) Section 164(2) of Act , i.e. written representation from directors regarding disqualification of Directors not applicable to Government Company ..
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations and the impact on its financial position in its Ind AS Financial Statements – Refer Note No. 39 of the Financial Statements.
- ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The management has represented that , to the best of its knowledge and belief , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or any kind of funds)by the Company to or in any persons or entities including foreign entities (" Intermediaries ") with the understanding whether recorded in writing or otherwise , that the intermediary shall :
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries ") by or on behalf of the company or
 - provide any guarantee, security or the like to or on behalf of Ultimate Beneficiaries.
- v. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities including foreign entities (" Funding Parties ") with the understanding whether recorded in writing or otherwise , that the intermediary shall :
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries ") by or on behalf of the company or
 - provide any guarantee, security or the like to or on behalf of Ultimate Beneficiaries



vi. Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.

vii. The Dividend declared during the year by the company is in compliance with section 123 of the Companies Act, 2013.

viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025.

Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility however, the same has not been operated/enabled throughout the year for all transactions recorded in the software. Further, since the audit trail is not being maintained by the company, we are unable to comment on any instance of audit trail feature being tampered.

Further, proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is operative for current financial year, but no such record made available to us for verification for the F.Y. 2023-24.

Place:-DURG
Date: 10/07/2025

For V RAWAL & COMPANY
Chartered Accountants
FRN : 011303N

Payal

CA PAYAL MITTAL
(Partner)

Membership No. 474037

UDIN : 25474037B0EQPT5339





ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FSNL PRIVATE LIMITED (FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED) of even date)

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

i. In respect of the Company's property, plant and equipment: right-of-use assets, intangible assets :

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of verification to cover all the items of property, plant and equipment and right-of-use assets in a phased manner 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 physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company is not having any owned immovable property however lease title deeds of leased immovable properties are held in the name of the company.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets), intangible assets during the year.

(e) No proceedings have been initiated during the year or pending against the company as at 31st March, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

b) The Company has not been sanctioned any working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order is not applicable to the company..

iii. The company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans , secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3(iii) (a), to 3(iii)(f) and (c) of the order are not applicable to the Company and hence not commented upon.

iv The company has neither made any investment nor has it given any loans or provided guarantee or security and therefore the relevant provisions of section 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company , Accordingly , clause 3(iv) of the order is not applicable.

v. The Company has not accepted deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3 (v) of the Order are not applicable to the Company.



vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. In respect of statutory dues:

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, 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.

(c) According to the information and explanation given to us and on the basis of our examinations of the record of the company, there are no statutory dues relating to Goods & Service Tax, Provident Fund, employees State Insurance, Income tax, duty of Custom or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute except the amount mentioned in Note No. 39 to the "Note on Accounts".

Viii There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

Ix (a) The company did not have any loans or borrowings from any lender during the year, Hence reporting under clause 3(ix)(a) of the order is not applicable to the company.

(b) Company has not been declared willful defaulter by any bank or financial institution or other lender;

(c) The company has not obtained any term loans during the year, Hence reporting under clause 3(ix)(c) of the order is not applicable to the company.

(d) No funds raised on short term basis have been utilized for long term purposes;

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(x)(a) of the order are not applicable to the company and hence not commented upon.

(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the order are not applicable

xi (a) No fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints have been received during the year by the company.

Xii In our opinion, The Company is not a Nidhi Company. Therefore, the provision of clause 3 (xii) of the order is not applicable to the company.

Xiii In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

xiv. (a) The Company has an adequate internal audit system commensurate with the size and the nature of its business.



- (b) We have considered the report of internal auditor for the period under audit.
- xv. The Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable 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.
10. The There are no unspent amount to be transferred to a fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section(5) of section 135 of the said Act.
- 10i. The company does not have any amount remaining unspent under sub-section(5) of section 135 of the Companies Act,2013 , Accordingly Para 3 clause (10) (b) of the order is not applicable.

Place:-DURG
Date: 10/07/2025

For V RAWAL & COMPANY
Chartered Accountants
FRN : 011303N

Payal

CA PAYAL MITTAL
(Partner)
Membership No. 474037
UDIN : 25474037BOEAPJ5339



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FSNL PRIVATE LIMITED (FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED) of even date)

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

We have audited the internal financial controls over financial reporting of **FSNL PRIVATE LIMITED (FORMERLY KNOWN AS FERRO SCRAP NIGAM LIMITED)** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Director's Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with references to Financial Statement

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial



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

Inherent Limitations of Internal Financial with references to Financial Statement

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

Opinion

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

Place:-DURG
Date: 10/07/2025

For V RAWAL & COMPANY
Chartered Accountants
FRN : 011303N

Payal
CA PAYAL MITTAL
(Partner)
Membership No. 474037
UDIN : 25474037BOEQPT5339



FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)
CIN: U27102CT1979FTC005468
Balance Sheet as at 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024 (Restated)	As at 01 April 2023 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	6	7,915.70	8,116.96	7,422.88
Right-of-use asset	8	457.25	472.61	469.05
Capital work-in-progress	6	-	-	8.18
Other intangible assets	7	2.00	9.64	20.44
Financial assets:				
i. Other financial assets	9	26.62	2,206.54	7,666.19
Deferred tax assets (net)	10	1,362.59	972.50	675.31
Non-current tax assets (net)	11	1,301.90	617.56	1,599.53
Other non-current assets	12	9.94	5.95	6.31
Total non-current assets (A)		11,076.00	12,401.76	17,867.89
Current assets				
Inventories	13	517.56	537.68	514.67
Financial assets:				
i. Trade receivables	14	10,263.65	15,965.33	8,747.38
ii. Cash and cash equivalents	15	5,885.03	1,553.62	2,722.00
iii. Bank balances other than (ii.) above	16	10,428.55	8,126.98	7,992.67
iv. Other financial assets	9	778.01	624.43	1,082.24
Contract assets	17	4,346.67	4,268.05	4,220.91
Other current assets	12	1,237.60	755.39	808.52
Current assets excluding assets classified as held for sale and assets retired from active use		33,457.07	31,831.48	26,088.39
Assets classified as held for sale	18	253.30	283.25	232.90
Assets retired from active use		13.85	17.39	32.14
Total current assets (B)		33,724.22	32,132.12	26,353.43
Total assets (A+B)		44,800.22	44,533.88	44,221.32
EQUITY AND LIABILITIES				
Equity				
Equity share capital	19	3,200.00	3,200.00	3,200.00
Other equity	20	28,558.56	22,595.54	18,602.93
Total equity (A)		31,758.56	25,795.54	21,802.93
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Lease liabilities	8	301.22	303.05	310.04
Provisions	22	2,531.72	7,613.34	7,833.23
Total non-current liabilities (B)		2,832.94	7,916.39	8,143.27
Current liabilities				
Financial liabilities				
i. Lease liabilities	8	1.83	7.00	246.27
ii. Trade payables	23			
(a) Total outstanding dues of micro and small enterprises		180.40	427.76	182.07
(b) Total outstanding dues of creditors other than micro and small enterprises		2,539.52	4,346.18	3,634.05
iii. Other financial liabilities	21	2,212.51	2,337.20	2,052.41
Provisions	22	3,523.55	1,690.77	6,680.50
Other current liabilities	24	1,749.37	1,979.15	1,474.87
Total current liabilities excluding liabilities relating to assets held for sale		10,207.18	10,788.06	14,270.17
Liabilities relating to assets classified as held for sale	18	1.54	33.89	4.95
Total current liabilities (C)		10,208.72	10,821.95	14,275.12
Total liabilities (B+C)		13,041.66	18,738.34	22,418.39
Total equity and liabilities (A+B+C)		44,800.22	44,533.88	44,221.32
Summary of Material Accounting Policies		1 To 50		

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

As per our report of even date attached

For V.RAWAL & Co
Chartered Accountants
Firm Registration No: 011303N

CA Payal Mittal
Partner
Membership No: 474037
UDIN :

25474037BOEQPJ5339

Place: Bhilai
Date:

10 JUL 2025



For and on behalf of the Board of Directors of
FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

Nishant Agrawal
Company Secretary
Membership No: A40900

Toshihiro Fujiwara
Chairman and Non- Executive Director
DIN: 10903855

Sumit Kumar Roy
AGM (F&A) & CFO

Yukihiko Momose
Executive Director
DIN: 10909033

FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)
CIN: U27102CT1979FTC005468
Statement of Profit and Loss for the year ended 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Income:			
Revenue from operations	25	45,895.18	43,461.01
Other income	26	1,778.74	3,310.76
Total income (I)		47,673.92	46,771.77
Expenses:			
Operational Expenses	27	6,626.03	6,307.70
Employee benefits expense	28	9,274.27	11,201.51
Finance costs	29	29.59	30.93
Depreciation and amortization expense	30	1,716.74	1,698.41
Other expenses	31	21,571.52	18,721.52
Total expenses (II)		39,218.15	37,960.07
Profit before tax (III = I - II)		8,455.77	8,811.70
Income tax expense	32		
- Current tax		2,549.46	2,512.58
- Deferred tax		(390.09)	(297.19)
Total tax expense (IV)		2,159.37	2,215.39
Profit After Tax for the year (V = III - IV)		6,296.40	6,596.31
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement loss on defined benefit plans		(445.51)	(58.40)
Income tax relating to above item		112.13	14.70
Total other comprehensive loss for the year, net of tax (VI)		(333.38)	(43.70)
Total comprehensive income for the year (VII = V + VI)		5,963.02	6,552.61
Earnings per equity share (nominal value per share Rs. 10)			
(i) Basic (INR)	33	19.68	20.61
(i) Diluted (INR)	33	19.68	20.61
Summary of Material Accounting Policies	1 To 50		

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

As per our report of even date attached

For V.RAWAL & Co
Chartered Accountants
Firm Registration No: 011303N

CA Payal Mittal
Partner
Membership No: 474037
UDIN :

25474037BOEQPJ5339

Place: Bhilai
Date:

10 JUL 2025



For and on behalf of the Board of Directors of
FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

Nishant Agrawal
Company Secretary
Membership No: A40900

藤原俊宏

Toshihiro Fujiwara
Chairman and Non- Executive Director
DIN: 10903855

Sumit Kumar Roy
AGM (F&A) & CFO

Yukihiro Momose
Executive Director
DIN: 10909033

FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)
CIN: U27102CT1979FTC005468
Statement of Cash Flow for the year ended 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2025	As at 31 March 2024 (Restated)
A. Cash flow from operating activities		
Profit before income tax	8,455.77	8,811.70
Adjustments for:		
Depreciation and amortization expense	1,716.74	1,698.41
Liabilities/provisions no longer required written back	(771.04)	(2,336.21)
Interest on fixed deposit	(892.49)	(890.83)
Profit on sale of fixed assets	(8.90)	(12.86)
Unwinding of discount on security deposits	(0.10)	(0.09)
Interest expense on lease liabilities	28.04	30.93
Other finance cost	1.55	-
Provision for doubtful debt	1,499.93	356.00
Provision for assets awaiting for disposal	58.66	65.33
Other provision	5.39	2.46
Operating profit before working capital changes	10,093.55	7,724.64
Movements in working capital:		
(Increase)/Decrease in trade receivables	4,201.75	(7,573.95)
(Increase)/Decrease in contract assets	(78.62)	(47.14)
(Increase)/Decrease in inventories	20.12	(23.01)
(Increase)/Decrease in other financial assets	(386.51)	5,304.52
(Increase)/Decrease in other assets	(486.20)	53.48
Increase/ (Decrease) in trade payables	(2,054.02)	957.83
Increase/ (Decrease) in provisions	(2,816.59)	(2,919.56)
Increase/ (Decrease) in other financial liabilities	(124.69)	284.80
Increase/ (Decrease) in other liabilities	(262.13)	533.21
Cash generated from/(used in) operations	8,106.66	4,495.02
Income taxes paid (net of refunds)	(3,233.81)	(1,530.60)
Cash generated from operations (A)	4,872.85	2,764.42
B. Cash flows from investing activities		
Purchase of property, plant & equipment including ROU asset	(1,508.72)	(2,465.16)
Proceeds from sale of property, plant and equipment and intangible assets	-	-
Investment in fixed deposits	111.38	478.71
Interest received on fixed deposits	892.49	890.84
Net cash generated used in Investing activities (B)	(504.85)	(1,095.61)
C. Cash flows from financing activities		
Payments of lease liabilities (principal)	(7.00)	(246.26)
Interest paid on lease liabilities	(28.04)	(30.93)
Dividend paid	-	(2,560.00)
Other finance cost	(1.55)	-
Net cash generated from/(used in) financing activities (C)	(36.59)	(2,837.19)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,331.41	(1,168.38)
Cash and cash equivalents at the beginning of the year	1,553.62	2,722.00
Cash and cash equivalents at the end of the year	5,885.03	1,553.62
Cash and cash equivalents as per above comprise of the following (refer note 15)		
Balances with banks		
-in current accounts	5,885.03	1,553.62
-in foreign currency accounts	-	-
-deposits with original maturity of less than 3 months	-	-
-deposits with original maturity of more than 3 but less than 12 months	-	-
Total cash and bank balances at end of the year	5,885.03	1,553.62

Notes :

- Please refer note 41 for reconciliation on movements of liabilities to cash flows arising from financing activities.
- The above Cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard ('Ind AS') 7 Statement of Cash Flows as notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

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

For V.RAWAL & Co
Chartered Accountants
Firm Registration No: 011303N

CA Payal Mittal
Partner
Membership No: 474032
UDIN :

Place: Bhubaneswar
Date: 25/07/2025



Nishant Agrawal
Company Secretary
Membership No: 340990

Toshihiro Fujiwara
Chairman and Non- Executive Director
DIN: 10963855

For and on behalf of the Board of Directors of
FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

Sumit Kumar Roy
AGM (F&A) & CFO

Yukihiro Momose
Executive Director
DIN: 10909033

10 JUL 2025

I Equity share capital (refer note 19)

Particulars	Number of shares	Amount
As at 01 April 2023	3,20,00,000	3,200.00
Changes in equity share capital during the year	-	-
As at 31 March 2024	3,20,00,000	3,200.00
Changes in equity share capital during the year	-	-
As at 31 March 2025	3,20,00,000	3,200.00

II Other equity (refer note 20)

Particulars	Retained earnings	General Reserve	Total other equity
Balance as at 01 April 2023 *	(796.58)	19,399.51	18,602.93
Profit for the year ended 31 March 2024	6,596.31	-	6,596.31
Other comprehensive loss for the year, net of tax	(43.70)	-	(43.70)
Total comprehensive income for the year ended 31 March 2024	6,552.61	-	6,552.61
Dividends paid	(2,560.00)	-	(2,560.00)
Transfer to general reserve	(3,080.00)	3,080.00	-
Balance as at 31 March 2024	116.03	22,479.51	22,595.54
Profit for the year ended 31 March 2025	6,296.40	-	6,296.40
Other comprehensive loss for the year, net of tax	(333.38)	-	(333.38)
Total comprehensive income for the year ended 31 March 2025	5,963.02	-	5,963.02
Transfer to general reserve	(5,940.00)	5,940.00	-
Balance as at 31 March 2025	139.05	28,419.51	28,558.56

* Restated downwards by 87.06 lakhs, towards reinstated in leases and capital reserve referred to in note 41.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For V.RAWAL & Co
Chartered Accountants
Firm Registration No: 011303N

CA Payal Mittal
Partner
Membership No: 474037
UDIN :

25474037B05QPJ5339

Place: Bhitai
Date:

10 JUL 2025



For and on behalf of the Board of Directors of
FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

Nishant Agrawal
Company Secretary
Membership No: A40900

Sumit Kumar Roy
AGM (F&A) & CFO

Toshihiro Fujiwara
Chairman and Non- Executive Director
DIN: 10903855

Yukihiro Momose
Executive Director
DIN: 10909033

1. Corporate information

FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited) ("FSNL" or the "Company") was incorporated under the erstwhile Companies Act, 1956 on March 28, 1979. The registered office of the Company is situated at FSNL Bhawan, Equipment Chowk Central Avenue, Bhilai, Dist. Durg, Chhattisgarh, India, 490001.

The Company undertakes the job of recovery and processing of scrap from slag and refuse generated during iron and steel making at Steel Plants. It offers specialized services for Dig and Haulage of Blast Furnaces & Steel Melting Shop slag at slag yards, processing of iron and steel skulls, mill rejects & maintenance scrap as per customer's requirement. FSNL also offers scalping of slabs, crushing and screening of LD slag to be used in sinter plant, blast furnace, steel melting shop & rail ballast. It removes sludge & ash deposit from sludge compartments & ash ponds. It also handle and neutralize Acid Sludge in open Hearth Muck Dump.

FSNL was a wholly owned subsidiary of MSTC Limited (MSTC), a Central Public Sector Enterprise (CPSE) of the Government of India.

In compliance with the provisions of the Share Purchase Agreement dated 24 October 2024 executed among MSTC Limited, Konoike Transport Co., Ltd. and the Company, Konoike Transport Co., Ltd. has purchased and acquired all of the Company's equity shares (representing 100% of the total issued, subscribed and fully paid- up equity share capital of the Company) from MSTC Limited, and MSTC Limited has sold and transferred all of the shares to Konoike Transport Co., Ltd., on a spot delivery basis on 21st January 2025.

As a result, the Company has converted from Public Sector Undertaking to Private Limited Company and consequently the name of the Company has changed to "FSNL Private Limited" vide new certificate of incorporation obtained from the Registrar of Companies approved on April 29, 2025.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act. These financial statements are prepared on going concern basis.

The financial statements of the Company for the year ended 31st March 2025 were approved for issue in accordance with the resolution of the Board of Directors on 10th July, 2025.

2.2 Basis of Measurement

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

- certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value
- assets held for sale – measured at fair value less cost to sell
- defined benefit plans – plan assets measured at fair value



2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR) which is the Company's functional currency. All financial information presented in (INR) has been rounded to the nearest lakh (up to two decimals), except when indicated otherwise.

2.4 Current and non-current classification

The Company classifies its assets and liabilities as current/non-current in the balance sheet as per the requirements of Ind AS 1 and considering 12 months period as normal operating cycle.

3. Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

3.1 Revenue Recognition

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 5.11).

3.2 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

3.3 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.4 Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been



explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value) (Refer note 5.8).

3.5 Deferred tax assets

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. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

3.6 Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

3.7 Employee Benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note (Refer note 5.10).

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

5 Material accounting policies

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements. It allows for an understanding as to how material transactions, other events and conditions are reported. It also describes: (a) judgements, apart from those involving estimations, that management makes in applying the policies that have the most significant effect on the amounts recognised in the Financial Statements; and (b) estimations, including assumptions about the future, that management makes in applying the policies.

5.1 Key Accounting Estimates and Critical Judgements

The preparation of financial statements in accordance with Ind AS requires management to



make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the period.

Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Critical accounting judgements and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to assets, liabilities, income and expenses. All of these key factors are reviewed on a continuous basis.

5.2 Property, plant and equipment

An Item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the company and its costs can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to cost incurred subsequently to add to, replace part of, or

service it. All other repair and maintenance costs, including regular service, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is de-recognised.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment

losses. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes net of trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use Included in property, plant and equipment are loose plant and tools which are stated at cost less amounts written off related to their expected useful lives and estimated scrap value.

Spares having useful life of more than one year and having value of Rs. 25.00 Lakhs or more in each case, are capitalised under the respective heads as and when available for use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Capital work-in-progress

Capital work-in-progress is valued at cost and includes equipment in transit and the cost of fixed assets that are not ready for their intended use at the reporting date.

Asset Retired from Active use

When an asset is retired from active use, but not yet surveyed off, will be transferred to "Asset Retired from Active use" with residual value of 5% of the Cost of Asset and same will be classified as "Current Assets"



5.3 Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale consideration is highly probable.

Non-current assets comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets classified as 'held for sale' are measured at the lower of their carrying amount and fair value less cost to sell, except for asset such as Deferred Tax Asset, Assets arising from employee's benefit, Financial Assets which are specifically exempt from this requirement.

Assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities classified as held for sale are presented separately from the other liabilities in the balance sheet.

5.4 Intangible Assets

Intangible assets purchased are initially measured at cost. Subsequently, intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised at disposal, or when no future economic benefits are expected from use or disposal. Further, the management estimates that the intangible assets have zero carrying cost at the end of its useful life i.e. zero residual value.

5.5 Leases

The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset
- The Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less



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(short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

-Where lease arrangements include the options to extend or terminate the lease before the end of the

lease term, right-of use assets and lease liabilities include those options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any reassessment of lease liabilities.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Lease liability is initially measured at amortized cost at the present value of future lease payments. Lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

5.6 Depreciation and Amortization

Depreciation on tangible assets is provided on straight line method, considering residual value of 5% of the cost of asset, over the useful lives of the assets, as specified in Schedule II of the Companies Act, 2013 except in respect of certain categories of assets. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Asset	Useful life
Excavators 1.2 to 5 Cum used for Hot Slag handling	5 Years *
Dozer	7 Years *
Excavators 1.2 to 5 Cum Not used for Hot Slag handling	7 Years *
Cranes	15 Years *
Magnetic Separators	15 Years *
Solar Plants	10 Years *
Other plant and machinery	9.19 Years *

* The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation on addition to/ deletion of assets during the year is provided on Pro-rata basis with reference to the date of addition/deletion.

No further depreciation is provided in respect of assets that are fully written down but are still



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in use.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the other asset, as re-assessed, whichever is lower.

Assets costing upto Rs. 4999/- are fully depreciated in the year in which they are put to use.

Software, which is not an integral part of related hardware, if treated as intangible assets and amortised over a period of 6 years or its license period, whichever is less, without any residual value.

5.7 Impairment of Non-Financial Assets

At each balance sheet date, the Company reviews the carrying amounts of its non-financial asset, other than deferred tax to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.

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

5.8 Financial Instruments

5.8.1 Financial Assets:

a) Initial recognition and measurement

Financial assets, except for trade receivables, are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.



b) Subsequent measurement and classification

The subsequent measurement of a financial asset depends on the classification of the asset on the basis of business model for managing such assets and the contractual cash flow characteristics of such asset. These classifications are:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets measured at amortized cost:

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

Financial assets measured at fair value through other comprehensive income(FVOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit and loss (FVTPL):

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

c) Impairment of financial assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortized cost and fair value through other comprehensive income. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. For financial instruments whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

d) De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains



substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing of the proceeds received.

5.8.2 Financial liabilities and equity instruments

Equity instruments

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

Financial Liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss.

However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

c) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying value of the financial liability and the consideration paid is recognised in standalone statement of profit and loss.



d) Offsetting financial instruments:

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

5.9 Inventories

Inventories other than non-moving inventories are valued at cost or estimated net realizable value whichever is less. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition but exclude excise duty, Goods & Service Tax on such goods where the company is eligible to take cenvat credit in accordance with rule 3 (1) of the Cenvat Credit Rules'2004& Input Credit under GST rules.

The inventory items, which have not moved for more than three years, are considered as non-moving inventories. Non-moving inventories are valued at cost reduced by ten percent of cost every year from the year 2001-2002. Inventories (store spares) are issued on FIFO basis.

The scrapped / redundant stores items are valued at cost or estimated net realizable value whichever is lower.

5.10 Employee Benefits

a) Short-term obligations

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

b) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 month after the end of the period in which the employees render related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The provision towards future payments to the disabled employee/ legal heirs of deceased employees under the Employees Family Benefit Scheme is made based on the actuarial valuation using the projected unit credit method.

The benefits are discounted using the market yield at the end of the reporting period that have terms of approximating to the terms of related obligations. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

Post-employment obligations

The Company operates the following post-employment schemes



- (i) Defined benefit plans such as gratuity, post-employment medical plans, contributory post retirement medical scheme and
- (ii) Defined contribution plans such as provident funds and FSNL Executives' Contributory Pension Scheme.

d.) Gratuity obligations

The liabilities or assets recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefits obligations are calculated annually by actuaries using projected unit credit (PUC) actuarial method.

The present value of defined benefits obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that are terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discounted rate to the net balance of defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from amendments and curtailments are recognised immediately in statement of profit and loss as past service cost.

e.) Post-employment medical obligations

Company provides postretirement healthcare benefits to their retirees. Entitlement to these benefits is usually conditional on the employees remaining in service up to the retirement age and the completion of minimum service period. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

During the financial year 2024-25, these benefits were discontinued.

Defined contribution plans

Company pays provident fund which is administered by a trust recognised by Income Tax Authorities and contribution to this fund is charged to revenue. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Pensioners benefits are secured through Employees' Pension Scheme 1995.

FSNL executives' contributory pension scheme is administered through an independent trust and contribution of this fund is charged to revenue. The fund is being managed through Life Insurance Corporation of India.



5.11 Revenue from Contracts with Customers

Revenue from customer contracts are considered for recognition and measurement when the contract is legally enforceable. Revenue is recognised for amounts the Company expects to be entitled to in exchange for transferring promised goods and services to a customer excluding amounts collected on behalf of third parties e.g. Goods and Service Tax. Revenue from contracts with customers is recognised when the Company satisfies the performance obligation identified in the contract through transfer of control of the promised goods and services.

Revenue is measured at the fair value of consideration received or receivable and recognised on accrual basis.

Items which are accounted on actual realization since realizability of such items are uncertain in accordance with the Provisions of the accounting standards are as follows:-

Liquidated damages on Suppliers or contractors.

Interest thereon on Refund of Income Tax.

Interest Income is reported on an accrual basis using the effective interest method.

Unbilled revenue is recognized on the basis of final summary sheet of delivery challans that are to be submitted to customers for acceptance on future date.

Service Charges

Service charges represent revenue earned by the Company for processing scrap and related materials, based on rates agreed with / offered to the respective Steel Plants and other parties. Any retrospective revision of Service Charges in line with rate revision clause of the agreement with the customers is accounted for in the year of such revision to the extent such claims are accepted by the customers.

Where Agreement with Customers is not finalised, the service charges are accounted for on Provisional basis.

5.12 Income Tax

Income tax expense for the year comprises current and deferred tax.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance costs and other expenses respectively. Interest Income, if any, related to income tax is included in other income. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in the country where the Company operates by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available



against which the asset can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

5.13 Provisions, Contingent Liabilities and Contingent Assets

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

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate considering final disposal of respective cases on merit basis as assessed by the management.

Contingent assets are not recognised but are disclosed when an inflow of economic benefits is probable.

Provisions are recognised, where the Company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.



5.14 Provision for Doubtful Advances

Provision against advances will be made wherever such advances is considered doubtful in the opinion of management. Writing back of liabilities/provisions will be made wherever such liability/provision is considered no longer required in the opinion of management.

5.15 Statements of Cash Flows

The statement of cash flow is prepared by using the indirect method as prescribed in IND AS 7, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

5.16 Segment Reporting

Company is engaged in the business of Scrap Recovery and Allied Jobs in various Steel Plants in India, which is the principal business activity of the company. Beside scrap recovery and allied job. However as per Para 11 of Ind AS (108) i.e. "operating segment", a business segment should be identified as a reportable segment if its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10 percent or more of the combined revenue, internal and external, of all reporting segments.

Further as regard to geographical segment, the primary criteria as envisaged in the accounting standard are being considered of which details are as follows:

- i. Similarity of economic and political conditions
- ii. Relationship between operations in different geographical areas
- iii. Proximity of operations
- iv. Special risks associated with operations in particular area
- v. Exchange control regulations
- vi. Underlying currency risks.

Since the company is rendering services to units that are subject to same economical and political conditions and are therefore exposed to same operational risks viz. exchange control regulations, underlying currency risks, proximity of operations etc. Accordingly relationship between operations in different geographical areas does not differ from each other and therefore is not relevant for the company or the management.

5.17 Earnings Per Share

The earning per share and diluted earnings per share is calculated as per Ind AS 33.

Basic earning per share is computed by dividing profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding for the period

For the purpose of calculating diluted earnings per share, the profit after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.



5.18 Cash & Cash Equivalents

Cash and cash equivalents are cash in hand, balances with bank and short-term deposits (original maturity of three months or less from the date of acquisition), that are readily convertible into cash.

5.19 Other equity

Components of other equity include the following:

Re-measurement of defined benefit liability comprise the actuarial gain or loss from changes in demographic and financial assumptions and return on plan assets.

Other transactions recorded directly in Other Comprehensive Income.
Retained earnings include all Current and Prior Period retained Profits.

5.20 Adjustment Pertaining to Earlier year

Income /Expenditure relating to Prior Period, which do not exceed Rs. 5.00 Lakhs in each case, is treated as Income/Expenditure of Current year.

5.21 Provision of Trade Receivable

FSNL undertakes the job of recovery and processing of Scrap from Slag and refuse generated during iron and steel making at Steel Plants. Commercial invoices are raised on fulfillment of contractual obligation and there is no dispute about the service rendered by FSNL. Sometimes the realisation of Debtors takes more time due to liquidity crunch of the steel plants.

Provision for doubtful receivable based on expected credit loss is as under.

Age of Debtors	Amount of provisioning
6 Months to 1 year	50%
More than 1 year	100%

The policy will be effective from F.Y. 2024-25.
The policy is for accounting purposes only.

5.22 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2025. The notification amended Ind AS 21 "The effects of changes in foreign exchange rates"

The notification explains the following:

Exchangeable definition

Estimating the spot exchange rate when a currency is not exchangeable into another currency.

Disclosures requirements when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency

Recognition of effect of initially applying the amendments

Paragraph 31C and point (b) of Paragraph D27 of Appendix D of Ind AS 101 are amended and Paragraph 39AI is inserted in Ind AS 101.



FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)
CIN: U27102CT1979FTC005468
Notes forming part of the financial statements for the year ended 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

6 Property, plant and equipment (including capital work in progress)

Particulars	Buildings	Office equipments	Plant and Equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
Cost							
Cost as at 1 April 2023	424.64	184.96	16,967.93	69.83	393.11	18,040.47	8.18
Additions	8.60	7.03	2,286.76	0.54	116.20	2,419.13	-
Deduction / Adjustments	-	0.07	51.41	-	2.64	54.12	8.18
As at 31 March 2024	433.24	191.92	19,203.28	70.37	506.67	20,405.48	-
Additions	-	56.44	1,461.87	-	-	1,518.31	-
Deduction / Adjustments	22.33	25.33	500.33	0.97	2.34	551.30	-
As at 31 March 2025	410.91	223.03	20,164.82	69.40	504.33	21,372.49	-
Accumulated depreciation							
Accumulated depreciation as at 1 April 2023	190.85	150.54	9,985.23	40.84	250.13	10,617.59	-
Charge for the year	11.37	9.26	1,605.97	5.78	38.55	1,670.93	-
Deduction / Adjustments	-	-	-	-	-	-	-
As at 31 March 2024	202.22	159.80	11,591.20	46.62	288.68	12,288.52	-
Charge for the year	13.67	13.10	1,620.54	5.48	39.23	1,692.02	-
Deduction / Adjustments	21.21	24.07	475.32	0.92	2.23	523.75	-
As at 31 March 2025	194.68	148.83	12,736.42	51.18	325.68	13,456.79	-
Carrying amount							
As at 01 April 2023	233.79	34.42	6,982.70	28.99	142.98	7,422.88	8.18
As at 31 March 2024	231.02	32.12	7,612.08	23.75	217.99	8,116.96	-
As at 31 March 2025	216.23	74.20	7,428.40	18.22	178.65	7,915.70	-

Capital work in progress (CWIP)

a. Aging of CWIP:

Project in progress	As at 31-Mar-25	As at 31-Mar-24	As at 01-Apr-23
Less than 1 year	-	-	8.18
1-2 years	-	-	-
2-5 years	-	-	-
More than 5 years	-	-	-
Total	-	-	8.18

There are no projects which are temporarily suspended.

There is no project in CWIP, whose completion is overdue or has exceeded its cost.



Particulars	Computer Software	Total Intangible Assets
Cost		
Cost as at 1 April 2023	55.18	55.18
Additions	1.56	1.56
Deduction / Adjustments	0.20	0.20
As at 31 March 2024	56.54	56.54
Additions	1.96	1.96
Deduction / Adjustments	0.57	0.57
As at 31 March 2025	57.93	57.93
Accumulated amortisation		
Accumulated amortisation as at		
1 April 2023	34.74	34.74
Charge for the year	12.16	12.16
Deduction / Adjustments	-	-
As at 31 March 2024	46.90	46.90
Charge for the year	9.35	9.35
Deduction / Adjustments	0.32	0.32
As at 31 March 2025	55.93	55.93
Carrying amount		
As at 01 April 2023	20.44	20.44
As at 31 March 2024	9.64	9.64
As at 31 March 2025	2.00	2.00

a) The additions do not have any item acquired through business combinations, also, there was no revaluation or any assets during the year.
b) There is no property in the possession of the company and/or being used by the company which are not either owned/hired/rented/leased by/to the company.
c) The company reviews the carrying amount of its fixed assets treating the entire company as a Cash Generating Unit (CGU). Hence, the company (being a CGU) has compared the carrying amount of its fixed assets with present value of future cash flows and it does not show any impairment.



8 Right of use assets - Leases**Company as a lessee**

The Company has entered into agreement with lessor for taking land on lease for a period 33 years. Measurement of right-of-use assets and lease liabilities are calculated based on the fixed lease rentals payable under the lease agreements and component towards maintenance and any variable payments are excluded. The Company does not have any leases for a term of 12 months or less and of low value.

Right of use assets

Particulars	Land	Total Right of use assets
Cost		
Cost as at 1 April 2023	488.75	488.75
Additions	18.89	18.89
Deduction / Adjustments	-	-
As at 31 March 2024	507.63	507.63
Additions	-	-
Deduction / Adjustments	-	-
As at 31 March 2025	507.63	507.63
Accumulated depreciation		
Accumulated depreciation as at 1 April 2023	19.70	19.70
Charge for the year	15.32	15.32
Deduction / Adjustments	-	-
As at 31 March 2024	35.02	35.02
Charge for the year	15.36	15.36
Deduction / Adjustments	-	-
As at 31 March 2025	50.38	50.38
Carrying amount		
As at 01 April 2023	469.05	469.05
As at 31 March 2024	472.61	472.61
As at 31 March 2025	457.25	457.25

(i) Amounts recognized in the Balance Sheet

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Lease liabilities			
Opening balance	310.05	556.31	556.31
Additions	-	-	-
Interest expense for the year	28.04	30.93	-
Lease rent paid during the year*	(35.04)	(277.19)	-
Total of lease liabilities	303.05	310.05	556.31

* The lease rent payment include onetime non-refundable premium amounting to Rs. 247.49 lakhs as at March 31, 2024.

The following is the break up of current and non current lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Lease liabilities			
Current	1.83	7.00	246.27
Non-current	301.22	303.05	310.04
Total of lease liabilities	303.05	310.05	556.31



FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

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Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

(ii) Amounts recognized in the Statement of Profit and Loss

The statement of profit or loss shows the following amount relating to leases:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on right-of-use assets	15.37	15.32
Interest expense on lease liability	28.04	30.93

Note : The aggregate depreciation on right-of-use assets has been included under depreciation and amortisation expense in the statement of profit and loss.

(iii) Amounts recognized in the Statement of cash flows

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash outflow for leases	(35.04)	(277.19)

(iv) The details regarding the contractual maturities of lease liabilities as at March 31, 2025, March 31, 2023 and April 1, 2023 on an undiscounted basis are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Lease liabilities			
Less than one year	29.70	35.04	277.19
One to five years	148.50	148.50	153.84
More than five years	705.11	734.81	764.51
Total	883.31	918.35	1,195.54



9	Other financial assets	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
		Non-current	Current	Non-current	Current	Non-current	Current
	Unsecured, considered good	26.62	273.07	26.52	7.64	25.60	1.07
	Security deposits	-	-	2,180.00	-	7,640.00	-
	Bank deposits with original maturity of more than 12 months*	-	-	-	-	-	-
	Interest accrued on loans and advances	-	-	-	579.79	-	1,058.50
	Term deposits	-	468.41	-	0.37	0.50	0.06
	Loans to employees	-	0.02	0.02	-	-	-
	Other loans and advances	-	-	-	0.01	0.01	0.25
	Loans to employees	-	-	-	36.52	-	22.36
	Advance to employees	-	36.51	-	-	-	-
	Total other financial assets	26.62	778.01	2,206.54	624.43	7,666.19	1,082.24

10	Deferred tax assets (net)	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
		1,362.59	972.50	675.31
	The balance comprises temporary differences attributable to:			
	Deferred tax assets	188.39	126.90	59.38
	Property, plant and equipment and intangible assets	4.71	4.73	-
	Other financial assets	76.27	78.03	140.01
	Lease liabilities	58.03	58.03	-
	Other non-current assets	601.50	224.00	134.78
	Trade receivable	163.60	114.13	-
	Other current liabilities	385.17	485.63	459.19
	Provisions	-	-	-
	Total deferred tax assets (A)	1,477.67	1,091.45	793.36
	Deferred tax liabilities	(115.08)	(118.95)	(118.05)
	Right-of-use assets	-	-	-
	Total deferred tax liabilities (B)	(115.08)	(118.95)	(118.05)
	Deferred tax assets (net) (A-B)	1,362.59	972.50	675.31

Movement in deferred tax balances		As at 01 April 2023	Recognised in statement of profit and loss account	Recognised in other comprehensive income	As at 31 March 2024
	Particulars				
	Right-of-use assets	(118.05)	(0.90)	-	(118.95)
	Property, plant and equipment and intangible assets	59.38	67.52	-	126.90
	Lease liabilities	140.01	(61.98)	-	78.03
	Other financial assets	-	4.73	-	4.71
	Trade receivable	134.78	89.22	-	224.00
	Other non-current assets	-	58.03	-	58.03
	Other current liabilities	-	114.13	-	114.13
	Provisions	459.19	70.14	(43.70)	485.63
	Deferred tax assets (net)	675.31	340.89	(43.70)	972.50

		As at 31 March 2024	Recognised in statement of profit and loss account	Recognised in other comprehensive income	As at 31 March 2025
	Particulars				
	Right-of-use assets	(118.95)	3.87	-	(115.08)
	Property, plant and equipment and intangible assets	126.90	61.49	-	188.39
	Lease liabilities	78.03	(1.76)	-	76.27
	Other financial assets	4.73	(0.02)	-	4.71
	Trade receivable	224.00	377.50	-	601.50
	Other non-current assets	58.03	-	-	58.03
	Other current liabilities	114.13	49.47	-	163.60
	Provisions	485.63	232.92	(333.38)	385.17
	Deferred tax assets (net)	972.50	723.47	(333.38)	1,362.59

11	Non-current tax assets (net)	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
		1,301.90	617.56	1,599.53
	Advance income tax (net of provision)	1,301.90	617.56	1,599.53
	Total non-current tax assets	1,301.90	617.56	1,599.53

12	Other assets	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
		Non-current	Current	Non-current	Current	Non-current	Current
	Prepayments	9.94	60.42	5.95	232.45	6.31	201.90
	Balance with statutory/government authorities	-	-	-	182.92	-	258.84
	GST input tax Credit	-	848.06	-	244.69	-	245.57
	Others (Advance with Public bodies)	-	235.00	-	-	-	-
	Other advances	-	-	-	-	-	57.83
	Advances to employees	-	61.07	-	57.51	-	44.38
	Advances to suppliers and service providers	-	26.28	-	37.82	-	-
	Corporate Social Responsibility	-	5.77	-	-	-	-
	Total other assets	9.94	1,237.60	5.95	755.39	6.31	808.52

13	Inventories	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
		458.60	465.63	434.63
	Valued at lower of cost and net realizable value	113.90	116.62	159.49
	Stores and Spares	-	18.85	14.38
	Stock of Non-Moving Inventory	-	0.14	0.14
	Stores and Spares - Awaiting Disposal	-	16.35	-
	Inventory Shortage	-	-	-
	Stock In Transit	-	-	-
	Provision	64.94	63.32	61.62
	stock of non-moving	-	0.14	0.14
	Inventory shortage	-	16.45	12.21
	Stores and Spares - Awaiting Disposal	-	-	-
	Total Inventories	517.56	537.68	514.67

14	Trade receivables	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Unsecured			
	-considered good	9,729.98	15,075.32	7,499.84
	-considered doubtful	533.67	890.01	1,247.54
		10,263.65	15,965.33	8,747.38
	Credit impaired			
	-Credit impaired	2,389.93	890.01	535.54
	Less: Allowance for credit impaired	(2,389.93)	(890.01)	(535.54)
	Total trade receivables	10,263.65	15,965.33	8,747.38

Trade receivables ageing schedule :
As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	4,288.58	5,441.40	-	-	-	-	9,729.98
Undisputed trade Receivables - doubtful	-	-	533.67	-	-	-	533.67
Undisputed trade Receivables - credit impaired	-	-	533.68	9.51	66.73	1,780.01	2,389.93
Less: Allowance for credit impairment and expected credit loss	-	-	(533.58)	(9.51)	(66.73)	(1,780.01)	(2,389.93)
Total	4,288.58	5,441.40	533.67	-	-	-	10,263.65

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	4,115.30	9,041.20	1,852.09	66.73	-	-	15,075.32
Undisputed trade Receivables - doubtful	-	-	-	-	-	890.01	890.01
Undisputed trade Receivables - credit impaired	-	-	-	-	-	890.01	890.01
Less: Allowance for credit impairment and expected credit loss	-	-	-	-	-	(890.01)	(890.01)
Total	4,115.30	9,041.20	1,852.09	66.73	-	890.01	15,965.33

As at 01 April 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	3,503.24	3,989.40	-	-	-	7.20	7,499.84
Undisputed trade Receivables - doubtful	-	-	-	-	-	1,247.54	1,247.54
Undisputed trade Receivables - credit impaired	-	-	-	-	-	535.54	535.54
Less: Allowance for credit impairment and expected credit loss	-	-	-	-	-	(535.54)	(535.54)
Total	3,503.24	3,989.40	-	-	-	1,254.74	8,747.38

Movement in expected credit loss allowance

Particulars	Allowance for expected credit loss
As at 01 April 2023	535.54
Additions during the year	354.47
Utilisation during the year	-
As at 31 March 2024	890.01
Additions during the year	1,499.93
Utilisation during the year	-
As at 31 March 2025	2,389.93

15	Cash and cash equivalents	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Balances with banks in current accounts	5,885.03	1,553.62	2,722.00
	Deposit Account	-	-	-
	Bank deposits with original maturity of upto 3 months	-	-	-
	Total cash and cash equivalents	5,885.03	1,553.62	2,722.00

16	Bank balances other than cash and cash equivalents	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Bank deposits with original maturity of more than 3 but less than 12 months *	10,428.55	8,126.98	7,992.67
	Total bank balances other than cash and cash equivalents	10,428.55	8,126.98	7,992.67

17	Contract assets	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Unbilled revenue*	4,346.67	4,268.05	4,220.91
	Total contract assets	4,346.67	4,268.05	4,220.91

*Unbilled revenue represents services provided to customers that have not yet been billed.

18	Assets classified as held for sale	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Assets classified as held for sale:	253.30	283.25	232.90
	Furniture & Fixtures	0.01	0.01	0.01
	Office Equipment	4.59	3.47	3.47
	Plant and Equipment	242.68	273.63	224.15
	Vehicles	6.02	6.15	5.28
	Liabilities associated with asset held for sale*	1.54	33.89	4.95
	Total assets classified as held for sale	251.76	249.36	227.95

* Amount deposited by H2 bidder but assembly sub-assemblies not lifted on reporting date is considered under "Liabilities associated with asset held for sale".

Atty



19 Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Authorised equity share capital 50,000,000 (31 March 2025: 50,000,000 ; 31 March 2024: 50,000,000 ; 01 April 2023: 50,000,000) equity shares of Rs. 10 each	5,000.00	5,000.00	5,000.00
Issued, subscribed and fully paid up equity share capital 32,000,000 (31 March 2025: 32,000,000 ; 31 March 2024: 32,000,000 ; 01 April 2023: 32,000,000) equity shares of Rs. 10 each	3,200.00	3,200.00	3,200.00
Total	3,200.00	3,200.00	3,200.00

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
Equity share	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	3,20,00,000	3,200.00	3,20,00,000	3,200.00	3,20,00,000	3,200.00
Issued during the year	-	-	-	-	-	-
Total	3,20,00,000	3,200.00	3,20,00,000	3,200.00	3,20,00,000	3,200.00

(b) Shares held by holding /ultimate holding company or subsidiaries /associates of the holding or the ultimate holding company	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
Equity shares	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Konoike Transport Co., LTD. (immediate and ultimate holding company)	3,19,99,999	99.99%	-	-	-	-
Konoike India Private Limited (subsidiary of its immediate and ultimate holding company)	1	0.01%	-	-	-	-
MSTC Ltd. **	-	-	3,19,99,900	99.99%	3,19,99,900	99.99%
Suchit Kumar Barnwal(Nominee of MSTC Ltd **)	-	-	100	0.00%	100	0.00%

(c) Details of shareholders holding more than 5% of the shares in the Company	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Konoike Transport Co., LTD.	3,19,99,999	99.99%	-	-	-	-
MSTC Ltd.	-	-	3,19,99,900	99.99%	3,19,99,900	99.99%

(d) Details of shareholding of promoters	As at 31 March 2025			As at 31 March 2024			As at 01 April 2023	
Name of the shareholder	Number of shares	% of total number of shares	% of change during the year	Number of shares	% of total number of shares	% of change during the year	Number of shares	% of total number of shares
Konoike Transport Co., LTD.	3,19,99,999	99.99%	100%	-	-	-	-	-
MSTC Ltd.	-	-	-100%	3,19,99,900	99.99%	-	3,19,99,900	99.99%
Total	3,19,99,999	99.99%		3,19,99,900	99.99%		3,19,99,900	99.99%

* Nil due to rounding off.

** Refer note number 1 for change of ownership during the year.

(e) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

20 Other equity

Particulars	Retained earnings	General Reserve	Total other equity
Balance as at 01 April 2023			
Profit for the year ended 31 March 2024	(796.58)	19,399.51	18,602.93
Other comprehensive loss for the year, net of tax	6,596.31	-	6,596.31
Total comprehensive income for the year ended 31 March 2024	(43.70)	-	(43.70)
Final dividend (FY 22-23)	6,552.61	-	6,552.61
1st Interim dividend (FY 23-24)	(1,280.00)	-	(1,280.00)
2nd Interim dividend (FY 23-24)	(640.00)	-	(640.00)
Transfer to general reserve	(640.00)	-	(640.00)
Balance as at 31 March 2024	(3,080.00)	3,080.00	-
Profit for the year ended 31 March 2025	116.03	22,479.51	22,595.54
Other comprehensive loss for the year, net of tax	6,296.40	-	6,296.40
Dividend	(333.38)	-	(333.38)
Total comprehensive income for the year ended 31 March 2025	5,983.02	-	5,983.02
Transfer to general reserve	(5,940.00)	5,940.00	-
Balance as at 31 March 2025	139.05	28,419.51	28,558.56



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21	Other financial liabilities (Current)	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Employee payables	1,110.28	1,394.54	1,424.89
	Security deposits and EMD	740.20	782.12	624.56
	Capital creditors	362.03	160.54	3.16
	Total other financial liabilities	2,212.51	2,337.20	2,052.61

22	Provisions	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
		Non-current	Current	Non-current	Current	Non-current	Current
	Provision for employee benefits:						
	Defined benefit obligations						
	-Employees family benefit scheme	519.33	193.96	609.48	199.16	697.32	210.07
	-Provision for gratuity	406.58	-	(74.12)	-	(105.29)	-
	-Provision for leave encashment	1,549.84	167.17	1,902.43	232.41	2,091.14	163.39
	Retirement benefit obligations						
	-Post retirement medical benefit	-	-	4,644.79	257.25	4,663.58	34.70
	-Contributory post retirement medical benefit	-	-	464.81	23.56	234.48	10.49
	-Other retirement benefit	35.54	4.75	39.29	7.10	47.26	4.90
	Other employee benefits						
	-Long service awards	20.43	2.13	6.66	0.75	4.74	0.43
	-Additional resource generation scheme- non-executive	-	58.18	-	55.03	-	58.51
	-Performance related pay	-	283.00	-	433.71	-	394.42
	-Wage revision	-	-	-	-	-	5,518.22
	Other Provisions	-	2,824.36	-	481.80	-	285.37
	Total provisions	2,531.72	3,523.55	7,613.34	1,690.77	7,833.23	6,680.50

23	Trade payables (Current)	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Trade payable for goods and services	2,719.92	4,773.94	3,816.12
	Total outstanding dues of micro and small enterprises *	180.40	427.76	182.07
	Total outstanding dues of creditors other than micro and small enterprises	2,539.52	4,346.18	3,634.05
	Total trade payables	2,719.92	4,773.94	3,816.12

Trade payables ageing schedule

As at 31 March 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed dues - micro and small enterprises	10.47	156.75	13.04	0.14	-	-	180.4
(ii) Undisputed dues - others	98.39	1,764.62	676.40	-	-	0.11	2539.52
(iii) Disputed dues - micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	108.86	1,921.37	689.44	0.14	-	0.11	2,719.92

As at 31 March 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed dues - micro and small enterprises	34.45	373.27	16.39	-	0.12	3.53	427.76
(ii) Undisputed dues - others	166.61	3,487.25	544.63	1.84	2.01	143.85	4,346.18
(iii) Disputed dues - micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	201.06	3,860.52	561.02	1.84	2.13	147.38	4,773.94

As at 01 April 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed dues - micro and small enterprises	15.79	146.40	14.36	0.12	-	5.40	182.07
(ii) Undisputed dues - others	163.37	2,235.45	1,067.66	4.45	1.40	161.72	3,634.05
(iii) Disputed dues - micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	179.16	2,381.85	1,082.02	4.57	1.40	167.12	3,816.12

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act')

The Ministry of Micro and Small Enterprises (MSE) has issued an Office Memorandum dated 26 August 2008 which recommends that the MSE should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the said Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Company, is given below:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
1. The principal amount remaining unpaid to any supplier as at the end of each accounting year	180.40	427.76	182.07
2. The interest amount remaining unpaid to any supplier as at the end of each accounting year	-	-	-
3. Amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
4. Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
5. The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
6. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises as per MSMED on the basis of information available with the Company.

24	Other liabilities (Current)	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	Pension for executive	160.10	179.05	163.67
	Pension for non executive	650.04	453.46	-
	Statutory dues payable	-	-	-
	-TDS and TCS payable	58.28	253.82	213.02
	-Provident fund payable	140.02	156.18	152.38
	-GST payable	740.50	935.71	945.80
	Others liabilities	0.43	0.93	-
	Total other liabilities	1,749.37	1,979.15	1,474.87

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FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

CIN: U27102CT1979FTC005468

Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

25	Revenue from operations	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Sale of services	45,895.18	43,461.01
	Total revenue from operations	45,895.18	43,461.01

The Company generates revenue from customer contracts by providing services over time through its available service offerings..

	Details of services rendered	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Processing of Scrap & other items	45,895.18	43,461.01
	Total	45,895.18	43,461.01

25.1	Disaggregation of revenue based on timing of recognition of revenue:		
a	Products/Services transferred at point in time	-	-
b	Products/Services transferred over time	45,895.18	43,461.01
	Total	45,895.18	43,461.01

25.2	Reconciliation of revenue recognised in statement of profit and loss with contracted price		
	Revenue as per contracted price	45,895.18	43,461.01
	Less: Variable consideration (including consideration payable to customer)	-	-
	Total	45,895.18	43,461.01

25.3	Contract balances		
	The following table provides information about contract assets from contract with customers		
	Contract Assets		
	Unbilled revenue		
	As at 1 April 2023		4,220.91
	Add: Addition during the year		4,268.05
	Less: Utilised during the year		4,220.91
	As at 31 March 2024		4,268.05
	Add: Addition during the year		4,346.67
	Less: Utilised during the year		4,268.05
	As at 31 March 2025		4,346.67

26	Other income	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Interest on fixed deposit	892.49	890.83
	Gain on sale of fixed assets	8.90	12.86
	Unwinding of discount on security deposits	0.10	0.09
	Liabilities/provisions no longer required written back	771.04	2,336.21
	Miscellaneous income*	106.21	70.77
	Total other income	1,778.74	3,310.76

* Miscellaneous Income mainly constitute interest on income tax, employee recoverable, income from scrap sale and others.

27	Operational Expenses	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Lancing tubes	30.75	31.43
	Oxygen and acetylene	306.44	295.71
	Lubricants	177.30	173.53
	Diesel and gasoline	4,739.38	4,574.42
	Stores and spare parts	1,267.09	1,125.42
	Water & power	105.07	107.19
	Total operational expenses	6,626.03	6,307.70

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Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

28	Employee benefit expenses	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Salaries and wages	6,783.39	8,650.63
	Contribution to PF and other funds	622.32	637.72
	Contribution to gratuity fund	55.19	53.69
	Staff welfare expenses	1,813.37	1,859.47
	Total employee benefit expenses	9,274.27	11,201.51

29	Finance costs	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Interest		
	- on lease liabilities (refer note 8)	28.04	30.93
	Other finance cost	1.55	-
	Total finance costs	29.59	30.93

30	Depreciation and amortization expense	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Depreciation of		
	- Property, plant and equipment and intangible assets (Refer note 3)	1,701.37	1,683.09
	- Right-of-use assets (Refer note 5)	15.37	15.32
	Total depreciation and amortization expense	1,716.74	1,698.41

31	Other expenses	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Cost of Services through outside agency	175.67	153.75
	Equipment rent	14,784.24	13,820.27
	Freight charges	44.19	64.70
	Hiring of manpower for operational activities	1,924.75	1,478.05
	Repair & Maintenance-Machinery	1,174.46	1,054.35
	Repair & Maintenance-Building	9.02	41.26
	Repair & Maintenance-Office Equipment	25.11	27.19
	Repair & Maintenance-Vehicle	10.99	9.94
	Insurance	193.35	163.79
	Rates and taxes	50.92	90.90
	Travelling and conveyance	51.51	70.36
	Security Services	476.60	465.81
	Telephone expenses	23.00	35.39
	Printing and stationery	39.35	31.14
	Legal and professional	134.63	39.99
	Auditor's remuneration (refer note a below)	6.49	6.49
	Provision for assets awaiting for disposal	58.66	65.33
	Provision for doubtful debt	1,499.93	356.00
	Advertising	0.27	6.82
	Corporate social responsibility expenditure (refer note b below)	130.00	-
	Miscellaneous expenses	758.38	739.99
	Total other expenses	21,571.52	18,721.52

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FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

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Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

a	Details of payments to auditors	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Statutory audit fee	2.76	2.76
	Tax audit fee	0.42	0.42
	Out of pocket expenses	3.31	3.31
	Total payments to auditors	6.49	6.49

b Corporate social responsibility expenditure (CSR)

a. CSR amount required to be spent during the year as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 130.00 lakhs (previous year : Rs. 92.00 lakhs)

b. Expenditure related to corporate social responsibility expenditure is Rs. 130.00 lakhs (previous year : Rs. Nil)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
i) Amount required to be spent by the Company during the year	130.00	92.00
ii) Amount of expenditure incurred during the year*	130.00	-
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	Not applicable	Not applicable
vi) Nature of CSR activities	The Company has distributed six ambulances as part of its commitment to the 'Health and Nutrition' theme approved by the Department of Public Enterprises (DPE) for Corporate Social Responsibility (CSR) activities in the financial year 2024-25, as per the Office Memorandum (OM) F. No. 8/2/2018-Dir (CSR) dated 15th March 2024 In accordance with the recommendation of the CSR Monitoring Committee, a Board resolution was passed on 1st April 2020 for a contribution of Rs. 500 Lakhs to the PM CARES Fund during the financial year 2020-21. As per the guidelines, FSNL is not required to undertake any additional CSR activities for the financial year 2023-24. The CSR expenditure of Rs. 92 Lakhs for FY 2023-24 shall be set off against the excess CSR expenditure incurred in FY 2020-21, thereby fulfilling the CSR requirements for the year.	
vii) Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Particulars	Paid in cash	Yet to be paid in cash
For the year ended 31 March 2025		
(i) Construction/acquisition of any asset	-	-
On purpose other than (i) above	136.77	-
For the year ended 31 March 2024 (Restated)		
(i) Construction/acquisition of any asset	-	-
On purpose other than (i) above	-	-

* Total amount spend on CSR during the year FY 2024-25 was RS. 136.77 lacs out of which Rs. 130.00 lacs is for the FY 2024-25 and Rs. 6.77 is prepaid for FY 2025-26.

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FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

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Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

32	Income tax expense	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
A	Amounts recognised in the Statement of Profit and Loss		
	Current tax	2,549.46	2,512.58
	Deferred tax charge/(credit)	(390.09)	(297.19)
	Total	2,159.37	2,215.39
B	Amounts recognised in the other comprehensive income		
	Income tax on remeasurement loss of post employment defined benefit plans	(112.13)	(14.70)
	Total	(112.13)	(14.70)
C	Total tax expense (A+B)	2,047.24	2,200.69
D	Reconciliation of effective tax rate		
	Profit before tax		
	Enacted statutory income tax rate	8,455.77	8,811.70
	Tax expense	25.168%	25.168%
	Tax effect of amounts which are not deductible in calculating taxable income	2,128.15	2,217.72
	Corporate social responsibility expenditure	32.72	-
	Interest on statutory dues	0.03	-
	Donation	0.16	0.38
	Deduction (Bhilai Unit)	0.79	-
	Other Provision	(2.48)	(2.71)
	Tax expense	2,159.37	2,215.39
33	Earnings per share	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
	Profit for the year	6,296.40	6,596.31
	Weighted average number of equity shares in calculating basic EPS and diluted EPS	320	320
	Earnings per equity share in INR (Nominal value of INR 10 each)		
	Basic (INR)	19.68	20.61
	Diluted (INR)	19.68	20.61

Signature



34 Disclosure of defined benefit obligation as per Ind AS 19
Employee benefits

Defined contribution plans

Defined contribution plans: An amount of Rs. 980.90 lakhs for the year ended March 31, 2025 (Rs. 1270.23 lakhs for March 31, 2024) pertaining to employer's contribution to provident fund, pension fund, executive contributory pension scheme and non-executive contributory pension scheme are recognised as an expense and included in 'Employee benefits expenses' in the Statement of Profit and Loss.

Benefit (Contribution to)	For the year ended 31 March 2025	For the year ended 31 March 2024
Provident Fund and Pension Fund	622.32	637.72
FSNL Executives' Contributory Pension Scheme	162.00	179.05
FSNL Non- Executives' Contributory Pension Scheme	196.58	453.46
Total	980.90	1,270.23

Defined Benefit Plans

1. Leave encashment

It is payable on separation to eligible employees, shall be limited to 300 days (Earned Leave and Half-Pay Leave combined), and HPL shall not be commuted as per DPE Guidelines for calculation of 300 days limit. Encashment of accumulated earned leave is also allowed up to 90 days once in a calendar year.

2. Gratuity

The Gratuity is payable on separation at the rate of 15 days pay for each completed year of service to eligible employees who render continuous service for a minimum period of 5 years and up to 30 years. The Gratuity is calculated at the rate of one month's wages last drawn by the employee for every completed year of service in excess of 30 years. The maximum amount of Gratuity payable to employee is Rs. 20.00 lakhs.

The Gratuity is funded with LIC of India. The company has done actuarial valuation of Gratuity Fund in accordance with Ind AS 19.

3. Employee family benefit scheme

Monthly payment to disabled separated employees / legal heirs of deceased employees in lieu of prescribed deposit till the notional date of superannuation of deceased employees.

4. Contributory scheme for post retirement medical facilities (Domiciliary):

The payment of medical facilities (Domiciliary) to the separated executives as covered under contributory scheme for post retirement medical facilities (domiciliary) for executives.

This Plan has been removed effectively during the Financial year 2024-25 by making the balance payment.

5. Post retirement medical benefit:

The Post Retirement Medical Benefit is a medical benefit to the superannuated employees and their spouse. This is available to superannuated employees at any hospital under the Mediclaim Insurance Policy.

This Plan has been removed effectively during the Financial year 2024-25 by making the balance payment.

6. Post retirement settlement benefit

It is payable to retiring employees for settlement at their declared home town.

7. Long term service award

It is payable in kind for rendering minimum 25 years of service and also on superannuation.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds and if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	The defined benefit plan liability calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit plan liability will tend to increase.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

a) Leave Encashment

The following tables summaries the position of liabilities relating to plans:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	1,707.01	2,134.84	2,254.53
Liability recognized in balance sheet (unfunded obligation)	1,707.01	2,134.84	2,254.53

Notes forming part of the financial statements for the year ended 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year			
2	Current service cost	2,134.84	2,254.53	2,379.92
3	Interest cost on the defined benefit obligation	275.31	295.90	324.79
4	Actuarial loss/(gain) - experience	118.45	141.17	129.91
5	Actuarial loss/(gain) - demographic assumptions	(34.17)	(103.97)	95.27
6	Actuarial loss/(gain) - financial assumptions	-	-	-
7	Benefits paid by the Company	97.95	79.77	(106.28)
		(885.37)	(532.56)	(569.08)
	DBO at the end of current year	1,707.01	2,134.84	2,254.53

B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	275.31	295.90	324.79
2	Net interest on net defined benefit liability	118.45	141.17	129.91
3	Immediate recognition of (gain)/losses - other long term employee benefit plan	63.78	(24.20)	(11.01)
	Cost recognized in statement of profit and loss	457.54	412.87	443.69

C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	(34.17)	(103.97)	95.27
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	97.95	79.77	(106.28)
4	Actuarial loss/(gain) arising during the period	63.78	(24.20)	(11.01)
	Actuarial loss/(gain) recognized via OCI at current year end	-	-	-

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	275.31	295.90	324.79
2	Net interest on net defined benefit liability	118.45	141.17	129.91
3	Actuarial loss/(gain) recognized in other comprehensive income	-	-	-
4	Immediate recognition of (gains)/losses - other long term employee benefit plan	63.78	(24.20)	(11.01)
	Defined benefit cost	457.54	412.87	443.69

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	162.20	240.41	169.09
	2nd following year	304.50	346.99	497.97
	3rd following year	212.91	323.29	414.32
	4th following year	213.51	236.55	443.18
	5th following year	227.97	248.08	350.98
	6th following year and onwards	681.49	911.40	1,789.01

(i) **Weighted average duration of defined benefit obligation (years)** 4.00 4.00 5

(ii) **Significant estimates: actuarial assumptions and sensitivity**

	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
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a	Discount rate			
	Discount rate (in %)	6.50%	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	(83.21)	(100.40)	(106.55)
	Effect on DBO due to 1% decrease in discount rate	93.23	112.22	118.78
b	Salary escalation rate			
	Salary escalation rate first year (in %)	10%	10%	10%
	Salary escalation rate thereafter (in %)	6%	6%	6%
	Effect on DBO due to 1% increase in salary escalation rate	92.24	111.57	118.17
	Effect on DBO due to 1% decrease in salary escalation rate	(83.85)	(101.61)	(107.91)

c **Retirement age (in years)** 60 60 60

d **Mortality rate**

IALM (2006-08) Ultimate



b) Gratuity

The following tables summaries the position of liabilities relating to plans:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	4,589.02	5,238.15	5,914.66
Fair Value of assets at the end of current period	(4,182.44)	(5,312.27)	(6,019.95)
Funded Status	406.58	(74.12)	(105.29)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Present value of liability	4,589.02	5,238.15	5,914.66
Liability recognized in balance sheet (unfunded obligation)	4,589.02	5,238.15	5,914.66

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	5,238.15	5,914.66	6,918.20
2	Current service cost	61.08	61.88	123.67
3	Interest cost on the defined benefit obligation	315.19	380.97	388.59
4	Actuarial loss/(gain) - experience	328.79	(70.56)	(3.61)
5	Actuarial loss/(gain) - demographic assumptions	-	-	-
6	Actuarial loss/(gain) - financial assumptions	116.72	48.91	(210.81)
7	Benefits paid from plan asset	(1,470.91)	(1,097.71)	(1,301.38)
	DBO at the end of current year	4,589.02	5,238.15	5,914.66

B	Movements in the fair value of the plan assets are as follows	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Fair value of the assets at end of prior period	5,312.27	6,019.95	6,283.12
2	Interest Income on plan assets	321.08	389.16	368.90
3	Employer Contributions	20.00	20.00	635.08
4	Return on plan assets greater/(lesser) than discount rate	-	(19.13)	34.23
5	Benefits paid	(1,470.91)	(1,097.71)	(1,301.38)
	Fair Value of assets at the end of current period	4,182.44	5,312.27	6,019.95

C	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	61.08	61.88	123.67
2	Net interest on net defined benefit liability	(5.89)	(8.19)	19.69
	Cost recognized in statement of profit and loss	55.19	53.69	143.36

D	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	328.79	(70.56)	(3.61)
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	116.72	48.91	(210.81)
4	Return on plan assets(greater)/less than discount rate	-	19.13	(34.23)
	Actuarial loss/(gain) recognized via OCI at current year end	445.51	(2.52)	(248.65)

E	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	61.08	61.88	123.67
2	Net interest on net defined benefit liability/ (asset)	(5.89)	(8.19)	19.69
3	Actuarial loss/(gain) recognized in other comprehensive income	445.51	(2.52)	(248.65)
4	Immediate recognition of (gains)/losses - other long term employee benefit p	-	-	-
	Defined benefit cost	500.70	51.17	(105.29)

F	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	526.50	770.03	552.79
	2nd following year	937.81	967.24	1,364.28
	3rd following year	746.09	912.37	1,009.65
	4th following year	668.50	706.64	920.53
	5th following year	726.19	653.29	724.60
	6th following year and onwards	1,440.96	1,937.87	2,387.64

(i)	Weighted average duration of defined benefit obligation (years)	4	4	4
(ii)	Significant estimates: actuarial assumptions and sensitivity	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
a	Discount rate			
	Discount rate (in %)	6.50%	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	(177.36)	(189.48)	(216.95)
	Effect on DBO due to 1% decrease in discount rate	195.61	207.55	236.64
b	Salary escalation rate			
	Salary escalation rate first year (in %)	10%	10%	10%
	Salary escalation rate thereafter (in %)	6%	6%	6%
	Effect on DBO due to 1% increase in salary escalation rate	61.43	59.00	62.24
	Effect on DBO due to 1% decrease in salary escalation rate	63.58	(61.68)	(63.87)
c	Retirement age (in years)	60	60	60
d	Mortality rate			

IALM (2006-08) Ultimate

c) Employee Family Benefit Scheme

The following tables summaries the position of liabilities relating to plans:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	713.29	808.64	907.39
Liability recognized in balance sheet (unfunded obligation)	713.29	808.64	907.39

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	808.64	907.39	940.25
2	Current service cost	-	-	-
3	Interest cost on the defined benefit obligation	48.42	56.15	49.54
4	Actuarial loss/(gain) - experience	78.40	75.53	229.61
5	Actuarial loss/(gain) - demographic assumptions	-	-	-
6	Actuarial loss/(gain) - financial assumptions	11.75	2.72	(29.55)
7	Benefits paid by the Company	(233.92)	(233.15)	(282.46)
	DBO at the end of current year	713.29	808.64	907.39

B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	-	-
2	Net interest on net defined benefit liability	48.42	56.15	49.54
3	Immediate recognition of (gain)/losses - other long term employee benefit plan	90.15	78.25	200.06
	Cost recognized in statement of profit and loss	138.57	134.40	249.60

C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	78.40	75.53	229.61
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	11.75	2.72	(29.55)
4	Actuarial (gain)/loss arising during period	90.15	78.25	200.06
	Actuarial loss/(gain) recognized via OCI at current year end	-	-	-

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	-	-
2	Net interest on net defined benefit liability	48.42	56.15	49.54
3	Actuarial loss/(gain) recognized in other comprehensive income	-	-	-
4	Immediate recognition of (gains)/losses – other long term employee benefit p	90.15	78.25	200.06
	Defined benefit cost	138.57	134.40	249.60

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	200.16	206.01	217.40
	2nd following year	162.84	181.21	186.56
	3rd following year	116.12	149.53	165.93
	4th following year	88.02	102.82	138.44
	5th following year	56.41	76.94	92.70
	6th following year and onwards	140.16	177.56	222.48

(i)	Weighted average duration of defined benefit obligation (years)	4	4	5
(ii)	Significant estimates: actuarial assumptions and sensitivity	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
a	Discount rate			
	Discount rate (in %)	6.50%	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	(22.98)	(26.14)	(30.23)
	Effect on DBO due to 1% decrease in discount rate	25.20	28.55	32.99

d) Settlement Allowance

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	40.29	46.39	52.16
Liability recognized in balance sheet (unfunded obligation)	40.29	46.39	52.16

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	46.39	52.16	62.49
2	Current service cost	1.65	1.92	2.24
3	Interest cost on the defined benefit obligation	3.09	3.48	3.78
4	Actuarial loss/(gain) - experience	(6.94)	(4.97)	(11.78)
5	Actuarial loss/(gain) - demographic assumptions	-	0	-
6	Actuarial loss/(gain) - financial assumptions	0.69	0.16	(1.67)
7	Benefits paid by the Company	(4.59)	(6.36)	(2.90)
	DBO at the end of current year	40.29	46.39	52.16

B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	1.65	1.92	2.24
2	Net interest on net defined benefit liability	3.09	3.48	3.78
3	Immediate recognition of (gains)/losses – other long term employee benefit p	(6.25)	(4.81)	(13.45)
	Cost recognized in statement of profit and loss	(1.51)	0.59	(7.43)

C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	(6.94)	-4.97	(11.78)
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	0.69	0.16	(1.67)
4	Actuarial (gain)/loss arising during period	(6.25)	(4.81)	(13.45)
	Actuarial loss/(gain) recognized via OCI at current year end	-	-	-

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	1.65	1.92	2.24
2	Net interest on net defined benefit liability	3.09	3.48	3.78
3	Actuarial loss/(gain) recognized in other comprehensive income	-	-	-
4	Immediate recognition of (gains)/losses – other long term employee benefit p	(6.25)	(4.81)	(13.45)
	Defined benefit cost	(1.51)	0.59	(7.43)

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	4.90	7.34	5.07
	2nd following year	9.23	9.17	13.28
	3rd following year	7.65	8.45	9.88
	4th following year	6.70	6.57	9.05
	5th following year	7.25	5.78	7.35
	6th following year and onwards	15.91	16.25	23.95

(i)	Weighted average duration of defined benefit obligation (years)	4	4.00	5
(ii)	Significant estimates: actuarial assumptions and sensitivity	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
a	Discount rate			
	Discount rate (in %)	6.50%	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	(1.35)	(1.48)	(1.73)
	Effect on DBO due to 1% decrease in discount rate	1.46	1.60	1.86
b	Retirement age (in years)	60	60	60
c	Mortality rate	IALM (2006-08)Ultimate		

e) Gift Allowance

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	22.56	7.41	5.17
Liability recognized in balance sheet (unfunded obligation)	22.56	7.41	5.17

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	7.41	5.17	6.15
2	Current service cost	0.37	0.19	0.22
3	Interest cost on the defined benefit obligation	0.40	0.33	0.34
4	Actuarial loss/(gain) - experience	0.97	0.01	0.05
5	Actuarial loss/(gain) - demographic assumptions	-	-	-
6	Actuarial loss/(gain) - financial assumptions	0.45	0.04	(0.17)
7	Benefits paid by the Company	(3.30)	(1.06)	(1.42)
8	Past service - plan amendments	16.26	2.73	-
	DBO at the end of current year	22.56	7.41	5.17

B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	0.37	0.19	0.22
2	Net interest on net defined benefit liability	0.40	0.33	0.34
3	Past service cost - plan amendments	16.26	2.73	-
4	Immediate recognition of (gains)/losses – other long term employee benefit p	1.42	0.05	(0.12)
	Cost recognized in statement of profit and loss	18.45	3.30	0.44

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C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	0.97	0.01	0.05
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	0.45	0.04	(0.17)
4	Actuarial (gain)/loss arising during period	1.42	0.05	(0.12)
	Actuarial loss/(gain) recognized via OCI at current year end	-	-	-

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	16.63	2.92	0.22
2	Net interest on net defined benefit liability	0.40	0.33	0.34
3	Actuarial loss/(gain) recognized in other comprehensive income	-	-	-
4	Immediate recognition of (gains)/losses – other long term employee benefit p	1.42	0.05	(0.12)
	Defined benefit cost	18.45	3.30	0.44

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	2.20	0.78	0.44
	2nd following year	4.27	0.87	1.28
	3rd following year	3.41	0.81	0.94
	4th following year	3.00	0.63	0.86
	5th following year	4.20	0.63	0.70
	6th following year and onwards	8.27	4.77	2.56

(i)	Weighted average duration of defined benefit obligation (years)	4	4.00	4
(ii)	Significant estimates: actuarial assumptions and sensitivity	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
a	Discount rate			
	Discount rate (in %)	6.50%	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	(0.88)	(0.36)	(0.18)
	Effect on DBO due to 1% decrease in discount rate	0.96	0.39	0.19
b	Retirement age (in years)	60	60	60
c	Mortality rate			
			IALM (2006-08)Ultimate	

f) Contributory Post Retirement Medical Benefit Scheme

The following tables summaries the position of liabilities relating to plans:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	-	508.37	244.97
Liability recognized in balance sheet (unfunded obligation)	-	508.37	244.97

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	-	244.97	266.84
2	Current service cost	-	4.85	5.89
3	Interest cost on the defined benefit obligation	-	16.44	15.85
4	Actuarial loss/(gain) - experience	-	263.44	5.06
5	Actuarial loss/(gain) - demographic assumptions	-	-	-
6	Actuarial loss/(gain) - financial assumptions	-	5.44	(26.32)
7	Benefits paid by the Company	-	(26.77)	(22.35)
	DBO at the end of current year	-	508.37	244.97

B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	4.85	5.89
2	Net interest on net defined benefit liability	-	16.44	15.85
	Cost recognized in statement of profit and loss	-	21.29	21.74

C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	-	263.44	5.06
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	-	5.44	(26.32)
	Actuarial loss/(gain) recognized via OCI at current year end	-	268.88	(21.26)

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	4.85	5.89
2	Net interest on net defined benefit liability	-	16.44	15.85
3	Actuarial loss/(gain) recognized in other comprehensive income	-	268.88	(21.26)
4	Immediate recognition of (gains)/losses – other long term employee benefit p	-	-	-
	Defined benefit cost	-	290.17	0.48

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	-	23.56	10.49
	2nd following year	-	34.53	15.84
	3rd following year	-	36.82	17.49
	4th following year	-	37.73	18.70
	5th following year	-	38.47	19.23
	6th following year and onwards	-	212.90	107.84

(i) Weighted average duration of defined benefit obligation (years) - 11 11

(ii) Significant estimates: actuarial assumptions and sensitivity

	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
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a Discount rate

Discount rate (in %)	-	7.00%	7.10%
Effect on DBO due to 1% increase in discount rate	-	(50.40)	(24.67)
Effect on DBO due to 1% decrease in discount rate	-	60.23	29.52

b Retirement age (in years) - 60 60

c Mortality rate IALM (2006-08)Ultimate

g) Post Retirement Medical Benefit

The following tables summaries the position of liabilities relating to plans:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Present value of liability	-	4,902.05	4,898.28
Liability recognized in balance sheet (unfunded obligation)	-	4,902.05	4,898.28

A	Movement in present values of defined benefit liability	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Defined benefit obligation at beginning of year	-	4,898.28	4,639.25
2	Current service cost	-	47.71	63.66
3	Interest cost on the defined benefit obligation	-	341.48	281.34
4	Actuarial loss/(gain) - experience	-	(264.61)	712.25
5	Actuarial loss/(gain) - demographic assumptions	-	-	-
6	Actuarial loss/(gain) - financial assumptions	-	56.65	(595.36)
7	Benefits paid by the Company	-	(177.46)	(202.86)
	DBO at the end of current year	-	4,902.05	4,898.28

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B	Expense recognized in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	47.71	63.66
2	Net interest on net defined benefit liability	-	341.48	281.34
	Cost recognized in statement of profit and loss	-	389.19	345.00

C	Expense recognized in the other comprehensive income	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Actuarial loss/(gain) due to experience adjustment	-	(264.61)	712.25
2	Actuarial loss/(gain) due to demographic assumption changes	-	-	-
3	Actuarial loss/(gain) due to financial assumption changes	-	56.65	(595.36)
	Actuarial loss/(gain) recognized via OCI at current year end	-	(207.96)	116.89

D	Defined benefit cost	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
1	Current service cost	-	47.71	63.66
2	Net interest on net defined benefit liability	-	341.48	281.34
3	Actuarial loss/(gain) recognized in other comprehensive income	-	(207.96)	116.89
4	Immediate recognition of (gains)/losses – other long term employee benefit p	-	-	-
	Defined benefit cost	-	181.23	461.89

E	Expected benefit payments for the year ending	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
	1st following year	-	266.10	35.91
	2nd following year	-	279.41	162.95
	3rd following year	-	298.44	179.98
	4th following year	-	316.14	197.17
	5th following year	-	333.50	213.39
	6th following year and onwards	-	1,900.12	1,300.31

(i)	Weighted average duration of defined benefit obligation (years)	-	12.00	13
(ii)	Significant estimates: actuarial assumptions and sensitivity	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
a	Discount rate			
	Discount rate (in %)	-	7.00%	7.10%
	Effect on DBO due to 1% increase in discount rate	-	(522.58)	(550.31)
	Effect on DBO due to 1% decrease in discount rate	-	629.37	668.41
b	Medical Inflation			
	Medical Inflation(in %)	-	5%	5%
	Effect on DBO due to 1% increase in Medical Inflation	-	630.48	670.19
	Effect on DBO due to 1% decrease in Medical Inflation	-	(532.37)	(560.92)
c	Retirement age (in years)	-	60	60
d	Mortality rate			
			IALM (2006-08)(modified)Ultimate	



35 Fair value measurement**Fair value hierarchy**

Fair values are classified into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1, Level 2 and Level 3 during the period.

(a) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:

	As at 31 March 2025		As at 31 March 2024		As at 01 April 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortised cost*						
- Trade receivables	10,263.65	10,263.65	15,965.33	15,965.33	8,747.38	8,747.38
- Cash and cash equivalents	5,885.03	5,885.03	1,553.62	1,553.62	2,722.00	2,722.00
- Other bank balances	10,428.55	10,428.55	8,126.98	8,126.98	7,992.67	7,992.67
- Other financial assets	804.63	804.63	2,830.97	2,830.97	8,748.43	8,748.43
Total financial assets	27,381.86	27,381.86	28,476.90	28,476.90	28,210.48	28,210.48
Financial liabilities measured at amortised cost*						
- Lease liabilities	303.05	303.05	310.05	310.05	556.31	556.31
- Trade payables	2,719.92	2,719.92	4,773.94	4,773.94	3,816.12	3,816.12
- Other financial liabilities	2,212.51	2,212.51	2,337.20	2,337.20	2,052.41	2,052.41
Total financial liabilities	5,235.48	5,235.48	7,421.19	7,421.19	6,424.84	6,424.84

* Classified as Level 3

Fair value of trade receivables, cash and cash equivalents, other bank balances, other financial assets, lease liabilities, trade payables, other financial liabilities reasonably approximates to their respective carrying amounts.

36 Capital management

Equity share capital, borrowings and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to manage its capital so as to safeguard its ability to continue as a going concern and to support the growth of the Company. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The funding requirements are met through equity, borrowings and operating cash. The Company is not subject to any externally imposed capital requirements.

37 Financial Risk Management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. Further, internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the board of directors.

i) Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
- Trade receivables	10,263.65	15,965.33	8,747.38
- Cash and cash equivalents	5,885.03	1,553.62	2,722.00
- Other bank balances	10,428.55	8,126.98	7,992.67
- Other financial assets	804.63	2,830.97	8,748.43
Total	27,381.86	28,476.90	28,210.48

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The following table provides ageing of trade receivables at the reporting date:

	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Within the credit period	4,288.58	4,115.30	3,503.24
Less than 6 months	5,441.40	9,041.20	3,989.40
6 months - 1 year	1,067.35	1,852.09	-
1 - 2 years	9.51	66.73	-
2 - 3 years	66.73	-	-
More than 3 years	1,780.01	1,780.02	1,790.28
Less: Allowance for credit impairment and expected credit loss	(2,389.93)	(690.01)	(535.54)
Total	10,263.65	15,965.33	8,747.38

II) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The objective of Company is to ensure liquidity which is sufficient to meet company operational requirements in short-term and long-term.

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

Particulars	Within 1 year	Between 1 and 3 years	More than 3 years	Total
31-Mar-25				
- Lease liabilities (undiscounted)	29.70	59.40	794.21	883.31
- Trade payables	2,719.92	-	-	2,719.92
- Other financial liabilities	2,212.51	-	-	2,212.51
Total	4,962.13	59.40	794.21	5,815.74
31-Mar-24				
- Lease liabilities (undiscounted)	35.04	59.40	823.91	918.35
- Trade payables	4,773.94	-	-	4,773.94
- Other financial liabilities	2,337.20	-	-	2,337.20
Total	7,146.18	59.40	823.91	8,029.49
01-Apr-23				
- Lease liabilities (undiscounted)	277.19	64.74	853.60	1,195.54
- Trade payables	3,816.12	-	-	3,816.12
- Other financial liabilities	2,052.41	-	-	2,052.41
Total	6,145.72	64.74	853.60	7,064.07

III) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameter, while optimizing the return.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company accounts only for fixed rate bank deposits. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Further, the Company does not have any variable rate interest bearing financial instruments, hence there is no interest rate risk.

(b) Currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Foreign currency risk exposure

The Company has no exposure to foreign currency risk at the end of reporting period, Hence it is not applicable for the company.

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38 Related party disclosures

Names of related parties and related party relationships

A (i) Related parties and nature of the relationship

Name of the party	Description of relationship
Konoike Transport Co., Ltd.	Holding Company (holding company w.e.f 21.01.2025)
MSTC Limited	Holding Company (ceased to be holding company w.e.f 21.01.2025)

B Related parties with whom transactions have taken place

(i) Key management personnel

Name of the party	Description of relationship
Adya Prasad Pandey	Independent Director (From 18.04.2022 to 01.11.2024)
Nishant Agrawal	Company Secretary (joined w.e.f. 27.02.2024)
Sumit Kumar Roy	Chief Financial Officer (w.e.f 18.05.2023)

C Related party transactions

(i) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of the transaction	Name of related party	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
(i) Other of expenses - by the Company			
(a) E-Office and HRMS Software AMC & others	MSTC Limited	3.90	2.45
(b) Paid Service charge against e-Auction	MSTC Limited	0.68	1.59

(ii) Key management personnel compensation	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Short- term benefits	51.13	80.41
Post employment benefits	(3.01)	(1.41)
Other Long-term employee benefits	2.85	(4.12)

(iii) Independent Director's Sitting Fees	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Adya Prasad Panday	1.35	2.55

ii) There is no balances outstanding as at the end of the current and previous years.






39 Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
(a) Claims against the company not acknowledged as debt			
i) For compensation to ex-employees and others under adjudication estimated at	466.33	853.39	831.18
ii) For repair job at Dolvi Unit claimed by M/s Audumber Engineering Works as per Civil Suit with Civil Judge, Alibag	55.66	52.93	50.19
(b) Service Tax			
i) Service tax on "Cargo Handling Services" at Bhilai unit as ordered by Dy Commissioner Div-1, Bhilai, pending before CESTAT, Delhi, Period Aug 2002 to June 2003	381.91	370.88	359.81
ii) Service Tax on value of oxygen supplied free of cost by SAIL, Bokaro to FSNL as demanded by Additional Commissioner, Central Excise & Service Tax, Ranchi - II for the period October 2010 to March 2015. Pending before CESTAT	48.93	46.74	44.55
iii) Service Tax on "Business Auxiliary Services" at Bokaro unit as ordered by Commissioner Central Excise and Customs, Ranchi, pending before CESTAT, Kolkata. Sept 2004 to Feb 2005 and Feb 2008 to March 2010	-	-	827.95
iv) Service tax on "Business Auxiliary Services" at Burnpur unit as ordered by Assistant Commissioner, Central Excise, Asansol pending before Tribunal & Commissioner (Appeal), Kolkata, Period April 2005 to Sept 2006	-	-	75.36
v) Service tax on "Cargo Handling Services" at Duburi unit Demanded by Commissioner, Central Excise, Bhubaneswar for the period from May 2004 to March 2007, pending before Appellate Authorities (CESTAT), Kolkata	-	-	500.71
vi) Service Tax on "Business Auxiliary Service" at Durgapur Steel Plant for the period April'2008 to May'2009, pending before CESTAT, Kolkata and Commissioner (Appeal), Kolkata.	-	-	794.15
vii) Service Tax on "Cargo Handling Services" at Duburi unit as demanded by Commissioner, Bhubaneswar for the period April'2009 to March'2010 is pending before CESTAT, Kolkata.	-	-	272.70
viii) Service Tax on "Business Auxiliary Service" at Durgapur Unit as demanded by Commissioner, Central Excise, Bolpur for the period October 2009 to March 2010, is pending before CESTAT, Kolkata.	-	-	281.10
ix) Service tax on "Cargo Handling Services" at Duburi unit demanded by Joint Commissioner, Central Excise, Bhubaneswar for the period from April 2007 to March 2009, pending before CESTAT, Kolkata	-	-	319.82
(c) Sales Tax and Other Taxes			
i) For Sales Tax at Durgapur as demanded by West Bengal Sales Tax Department, pending before Sales Tax Tribunal, Kolkata.	2.94	2.94	2.94
ii) For Goods and Service tax related litigation	198.91	-	-
ii) For Penalty regarding registration of Vehicles with RTO, Vizag	-	79.84	79.84
C. Outstanding Bank Guarantees	14.00	14.00	14.00
Total	1,168.68	1,420.72	4,454.39

40 Capital commitments:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	655.01	115.95	445.44
Total	655.01	115.95	445.44



41. Restatement adjustments summary

- a) During the year, the Company adopted lease accounting including previous years. As a result, it restated the financial statements for the comparative periods ending March 31, 2024, and April 1, 2023, recognized the lease liability along with the right-of-use asset for the land leased on December 29, 2021.

Additionally, during FY 2023-24, the company paid a security deposit to SAIL for its leased land, which has been recorded at its present value in the financial statements, with a corresponding impact on the right-of-use (ROU) asset. As a result, the company has restated its financial statements to reflect this adjustment.

The related impact of lease and security deposit adjustment on Other equity, Balance Sheet and Statement of Profit and Loss is as given below:

Particulars	As at 1 April 2023	As at 31 March 2024
Impact of Restatement adjustment		
Balance Sheet		
Other equity	(40.58)	(96.34)
Right of use asset (net of accumulated depreciation)	469.05	472.62
Lease liabilities-Non current	310.05	303.05
Lease liabilities-Current	246.27	7.00
Other financial asset	-	(18.80)
Provisions	(46.68)	-
Other current assets		(230.58)
Provision (current)		(36.95)
Statement of Profit and loss:		-
Other income		(0.09)
Depreciation and amortisation expense (ROU)		15.32
Finance cost (Interest on lease liability)		30.93
Other expenses		(36.88)

- b) During the current year, the Company restated the deferred tax calculations of previous years. As a result, it restated its financial statements for the comparative periods ending March 31, 2024, and April 1, 2023, recalculated deferred tax with corresponding impact on retained earning.

The related impact of deferred tax adjustment on Other equity, Balance Sheet and Statement of Profit and Loss is as given below:

Particulars	As at 1 April 2023	As at 31 March 2024
Impact of Restatement adjustment		
Balance Sheet		
Other equity	(46.48)	113.21
Deferred Tax Asset	(46.48)	66.74
Statement of Profit and loss:		-
Other income		-
Deferred tax (additional deferred tax created)		(113.21)

- c) During the current year, the Company restated the capital reserve and the amount, totaling Rs. 37.36 lakhs, has now been reclassified and transferred to the general reserve. Consequently, the Company has restated its financial statements for the comparative period ending April 1, 2023. This reclassification has no impact on deferred tax.

- d) In addition, the Company has regrouped / re-classified balances wherever necessary to reflect their actual nature.



(i) Reconciliation of balance sheet as at 31 March 2024

	As at 31 March 2024 (Audited)	Regrouping	Restatement	As at 31 March 2024 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	8,116.96	-	-	8,116.96
Right-of-use asset	-	-	472.61	472.61
Capital work-in-progress	-	-	-	-
Other intangible assets	9.64	-	-	9.64
Financial assets:				
i. Other financial assets	45.34	2,180.00	(18.80)	2,206.54
Deferred tax assets (net)	905.76	-	66.74	972.50
Non-current tax assets (net)	-	617.56	-	617.56
Other non-current assets	623.51	(617.56)	-	5.95
Assets classified as held for sale	252.92	(252.92)	-	-
Total non-current assets (A)	9,954.13	1,927.08	520.55	12,401.76
Current assets				
Inventories	537.68	-	-	537.68
Financial assets:				
i. Trade receivables	20,240.38	(4,275.05)	-	15,965.33
ii. Cash and cash equivalents	2,553.62	(1,000.00)	-	1,553.62
iii. Bank balances other than (ii.) above	9,306.98	(1,180.00)	-	8,126.98
iv. Other financial assets	617.43	7.00	-	624.43
Contract assets	-	4,268.05	-	4,268.05
Other current assets	985.97	-	(230.58)	755.39
Assets classified as held for sale	30.33	252.92	-	283.25
Assets retired from active use	17.39	-	-	17.39
Total current assets	34,289.78	(1,927.08)	(230.58)	32,132.12
TOTAL ASSETS	44,243.91	-	289.97	44,533.88
EQUITY AND LIABILITIES				
Equity				
Equity share capital	3,200.00	-	-	3,200.00
Other equity	22,578.66	-	16.88	22,595.54
	25,778.66	-	16.88	25,795.54
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	-	-	303.05	303.05
Provisions	7,613.34	-	-	7,613.34
	7,613.34	-	303.05	7,916.39
Current liabilities				
Financial liabilities				
i. Lease liabilities	-	-	7.00	7.00
ii. Trade payables	-	-	-	-
(a) Total outstanding dues of micro and sma	412.86	14.90	-	427.76
(b) Total outstanding dues of creditors other	4,521.63	(175.44)	-	4,346.19
iii. Other financial liabilities	2,176.66	160.54	-	2,337.20
Provisions	1,727.73	-	(36.95)	1,690.78
Other current liabilities	1,979.14	-	-	1,979.14
Liabilities directly associated with asset class	33.89	-	-	33.89
	10,851.91	-	(29.95)	10,821.96
TOTAL EQUITY AND LIABILITIES	44,243.91	-	289.98	44,533.89



(ii) Reconciliation of balance sheet as at 1 April 2023

	As at 1 April 2023 (Audited)	Regrouping	Restatement	As at 01 April 2023 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	7,422.88	-	-	7,422.88
Right-of-use asset	-	-	469.05	469.05
Capital work-in-progress	8.18	-	-	8.18
Other intangible assets	20.44	-	-	20.44
Financial assets:	-	-	-	-
i. Other financial assets	26.18	7,640.00	-	7,666.18
Deferred tax assets (net)	721.79	-	(46.48)	675.31
Non-current tax assets (net)	-	1,599.53	-	1,599.53
Other non-current assets	1,605.84	(1,599.53)	-	6.31
Assets classified as held for sale	224.41	(224.41)	-	-
Total non-current assets (A)	10,029.72	7,415.59	422.57	17,867.88
Current assets				
Inventories	514.67	-	-	514.67
Financial assets:	-	-	-	-
i. Trade receivables	12,968.29	(4,220.91)	-	8,747.38
ii. Cash and cash equivalents	2,722.00	-	-	2,722.00
iii. Bank balances other than (ii.) above	15,632.67	(7,640.00)	-	7,992.67
iv. Other financial assets	1,082.24	-	-	1,082.24
Contract assets	-	4,220.91	-	4,220.91
Other current assets	808.52	-	-	808.52
Assets classified as held for sale	8.49	224.41	-	232.90
Assets retired from active use	32.14	-	-	32.14
Total current assets	33,769.02	(7,415.59)	-	26,353.43
TOTAL ASSETS	43,798.74	-	422.57	44,221.31
EQUITY AND LIABILITIES				
Equity				
Equity share capital	3,200.00	-	-	3,200.00
Other equity	18,689.99	-	(87.06)	18,602.93
	21,889.99	-	(87.06)	21,802.93
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	-	-	310.04	310.04
Provisions	7,833.23	-	-	7,833.23
	7,833.23	-	310.04	8,143.27
Current liabilities				
Financial liabilities				
i. Lease liabilities	-	-	246.27	246.27
ii. Trade payables	-	-	-	-
(a) Total outstanding dues of micro and sma	382.67	(200.60)	-	182.07
(b) Total outstanding dues of creditors other	3,436.61	197.44	-	3,634.05
iii. Other financial liabilities	2,049.25	3.16	-	2,052.41
Provisions	6,727.18	-	(46.68)	6,680.50
Other current liabilities	1,474.87	-	-	1,474.87
Liabilities directly associated with asset class	4.95	-	-	4.95
	14,075.53	0.00	(46.68)	14,028.85
TOTAL EQUITY AND LIABILITIES	43,798.75	0.00	176.30	43,975.05



FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

CIN: U27102CT1979FTC005468

Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

(iii) Reconciliation of total comprehensive income for the year ended 31 March 2024

	For the year ended 31 March 2024 (Audited)	Regrouping	Restatement	For the year ended 31 March 2024 (Restated)
Revenue from operations	43,461.01	-	-	43,461.01
Other income	3,311.70	(1.03)	0.09	3,310.76
Total income	46,772.71	(1.03)	0.09	46,771.77
Expenses				
Operational Expenses	6,307.70	-	-	6,307.70
Employee benefits expense	11,201.51	-	-	11,201.51
Finance costs	-	-	30.93	30.93
Depreciation and amortization expense	1,683.09	-	15.32	1,698.41
Other expenses	18,759.43	(1.03)	(36.88)	18,721.52
	37,951.73	(1.03)	9.37	37,960.07
Profit (loss) before tax	8,820.98	-	(9.28)	8,811.70
Tax expense				
-Current tax	2,512.58	-	-	2,512.58
-Deferred tax	(183.98)	-	(113.21)	(297.19)
Profit (loss) for the year	6,492.38	-	103.93	6,596.31
Other comprehensive income (loss)				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit liability	(58.40)	-	-	(58.40)
Income tax relating to these items	14.70	-	-	14.70
Other comprehensive income (loss) for the year, net of tax	(43.70)	-	-	(43.70)
Total comprehensive income (loss) for the year	6,448.68	-	103.93	6,552.61



FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

CIN: U27102CT1979FTC005468

Notes forming part of the financial statements for the year ended 31 March 2025

(Amounts in INR Lakhs, unless otherwise stated)

42 Segment reporting

Company is engaged in the business of scrap recovery and allied jobs in various steel plants in India, which is the principal business activity of the company. However as per para 11 of Ind AS 108 i.e. "Operating segment", a business segment should be identified as a reportable segment if its reported revenue, including both sales to external customers and inter segment sales or transfer is 10 percent or more of the combined revenue, internal and external of all reporting segments.

Further as regard to geographical segment, the primary criteria as envisaged in the accounting standard are being considered of which details are as follows:

- a. Similarity of economic and political conditions.
- b. Relationship between operations in different geographical areas.
- c. Proximity of operations.
- d. Special risk associated with operations in particular area.
- e. Exchange control regulations.
- f. Underlying currency risks.

Since the company is rendering services to units that are subject to same economical and political conditions and are therefore exposed to same operational risks viz. exchange control regulations, underlying currency risks, proximity of operations etc. Accordingly relationship between operation in different geographical areas does not differ from each other and therefore is not relevant for the company or the management.

The company has three major customers out of which revenue of approximately Rs. (in lakhs) 33,156.95, 5,019.83 & 7,718.40 (31st March 2024 Rs (in lakhs) 31,534.21; 6,446.07; 5,480.73) are derived respectively from each customer.

- 43** The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary course of business unless and to the extent stated otherwise in the accounts. Balances of trade payables, trade receivables, loans and advances are subject to reconciliation and confirmation.
- 44** During the year ended March 31, 2025 the Company has not declared and paid any dividend. For the year ended March 31, 2024 the company has declared and paid interim dividend of Rs. 1,280.00 lakhs i.e. 40% of paid-up equity share capital to the shareholders of M/s MSTC (ceased to be holding company w.e.f 21.01.2025). The final dividend for the year ended March 31, 2023 paid during the year ended March 31, 2024 was Rs. 1,280.00 Lakhs to the shareholders of M/s MSTC (ceased to be holding company w.e.f 21.01.2025).
- 45** The land on which the plant and building of the company are situated at Rourkela, Burnpur, Bhilai, Bokaro, Vizag, Durgapur, Salem, Nagarnar, Midhani are neither freehold nor leasehold. The company has acquired the right of free use from landholders as a part of the service agreement. The company has however, acquired leasehold land from SAIL-BSP on perpetual lease of 33 years w.e.f December 29, 2021 on which the Registered office Building has been constructed.
- 46** The fair value of Assets classified as held for sale is more than the carrying amount of the asset.
- 47** The company has not traded or involved in Crypto or virtual currency during the year.
- 48** Figures of the previous years have been split and regrouped wherever necessary so as to correspond to current year's figures.



49 The following are the analytical ratios for the year ended 31st March 2025 and 31st March 2024:

Particulars	Numerator	Denominator	For the year ended/ As at 31 March 2025	For the year ended/ As at 31 March 2024	% change	Reasons**
Current ratio (in times)	Current assets	Current liabilities	3.30	2.97	11.26%	-
Debt equity ratio (in times)	Total debt	Total equity	-	-	-	Not applicable as company does not have any borrowing
Debt service coverage ratio (in times)	Earnings available for debt*	Debt service^	-	-	-	Not applicable as company does not have any borrowing
Return on equity (in %)	Profit for the year	Average shareholders' equity	20.83%	27.57%	-24.47%	-
Inventory turnover ratio	Cost of goods sold	Average inventory	-	-	0.00%	from service related to Processing of Scrap & other items
Trade receivables turnover (in times)	Revenue from operations	Average trade receivables	3.50	3.52	-0.50%	-
Trade payables turnover (in times)	Purchase of stock in trade	Average trade payables	6.27	5.07	23.85%	-
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	2.05	2.60	-21.34%	-
Net profit margin (in %)	Profit after tax	Revenue from operations	13.72%	15.18%	-9.61%	-
Return on capital employed (in %)	Earnings before interest and taxes	Capital employed	26.72%	34.28%	-22.06%	-
Return on Investment	Total income from investment	Average investment for the year	-	-	-	Company has not made any investment during the year and in previous year

*Profit after tax + interest expense + depreciation & amortisation expense + exceptional items + loss/(gain) on sale of fixed assets)

^Interest + Principal repayments (excluding lease liabilities)

**Variance has been explained for any change in the ratio by more than 25% as compared to the ratio of previous year.

Company has not made any investment during the year and previous year.



50 Additional disclosures required by Schedule III

(i) Details of benami property held

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

(ii) Borrowings from banks or financial institutions on the basis of security of current asset

The Company has not taken any loans/ borrowings from banks or financial institutions on the basis of security of current asset.

(iii) Willful defaulter

Company has not been declared Willful defaulter by any bank or financial institution or government or any government authority.

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

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

(v) Utilization of borrowed funds and share premium

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

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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vi) Undisclosed income

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

(vii) Details of crypto currency or virtual currency

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

(viii) Valuation of property, plant and equipment including intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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

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

(x) Utilization of borrowings availed from banks and financial institutions

The Company has not taken any loans/ borrowings from banks or financial institutions in the current or previous financial year.

(xi) Relationship with struck off Companies

The Company does not have any transactions or balances with the Companies whose name is struck off under section 248 of the Companies Act, 2013.

(xii) Loans or advances to specified persons

The Company has not given loan or advances to specified person.

(xiii) Previous years split up and regrouping

Figures of the previous years have been split up and regrouped wherever necessary so as to correspond to current year's figures.

Notes 1 to 50 form an integral part of these financial statements.

This is the summary of significant accounting policies and other explanatory information referred to our report of even date.

For V.RAWAL & Co

Chartered Accountants

Firm Registration No: 011303N

CA Payal Mittal

Partner

Membership No: 474037

UDIN : 25474037BOEQPJ5339

Place: Bhilai



10 JUL 2025

For and on behalf of the Board of Directors of

FSNL Private Limited (formerly known as Ferro Scrap Nigam Limited)

Nishant
Nishant Agrawal

Company Secretary

Membership No: A40900

Place: Bhilai

Date:

Toshihiro
Toshihiro Fujiwara

Chairman and Non- Executive Director

DIN: 10903855

Place: Bhilai

Date:

Sumit Roy
Sumit Kumar Roy

AGM (F&A) & CFO

Place: Bhilai

Date:

Yukihiro
Yukihiro Momose

Executive Director

DIN: 10909033

Place: Bhilai

Date: