

**India Steel Summit Private Limited**  
**Balance Sheet as at 31st March 2024**  
(All amounts are in lakhs, unless otherwise stated)  
CIN: U27109UP2006PTC094746  
Address: Plot no 2F, 2G, Ecotech-III, Udyog Kendra, Greater Noida, Pin Code-201306

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	7,680.00	7,680.00
Reserves and surplus	4	3,262.35	2,453.37
<b>Non-current liabilities</b>			
Long-term provisions	5	327.47	293.58
Deferred tax liability (Net)	30	465.20	100.97
<b>Current liabilities</b>			
Short-term borrowings	6	4,870.00	4,540.00
Trade payables	7		
- total outstanding dues of micro enterprises and small enterprises		315.14	160.24
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,489.95	3,057.79
Other current liabilities	8	671.39	837.10
Short-term provisions	9	136.79	26.23
<b>Total</b>		<b>21,218.29</b>	<b>19,149.28</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and Intangible Assets			
- Property Plant and Equipment	10	7,099.93	7,325.79
- Intangible assets	11	80.38	94.51
- Capital work in progress	11A	7.38	0.06
Long-term loans and advances	12	366.15	405.07
Other non-current assets	12A	70.32	69.99
<b>Current assets</b>			
Inventories	13	8,954.88	7,246.98
Trade receivables	14	3,301.89	3,086.33
Cash and cash equivalents	15	480.31	138.61
Short-term loans and advances	16	843.12	704.14
Other current assets	17	13.93	77.80
<b>Total</b>		<b>21,218.29</b>	<b>19,149.28</b>

See accompanying notes forming part of the financial statements 1 to 47

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

As per our report of even date attached

For Deloitte Haskins & Sells  
Chartered Accountants

ICAI Firm Registration No: 015125N

Vinay Agarwal  
Partner

Place: Gurugram  
Date: July 26, 2024



For and on behalf of the Board of Directors of  
India Steel Summit Private Limited

Hiroyuki Kato  
Managing Director  
DIN No : 09146115

Place: Greater Noida  
Date: July 26, 2024

Takahiro Chigira  
Director  
DIN No : 08848859

Place: Greater Noida  
Date: July 26, 2024

Sitansu Sekhar Dash  
Company Secretary

Place: Greater Noida  
Date: July 26, 2024

India Steel Summit Private Limited  
Statement of Profit and Loss for year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)  
CIN: U27109UP2006PTC094746  
Address: Plot no 2F, 2G, Ecotech-III, Udyog Kendra, Greater Noida, Pin Code-201306

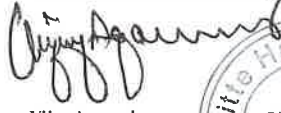
Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Revenue from operations</b>	18		
Sale of products		27,878.48	24,596.24
Sale of services		308.16	273.52
Other operating income		766.59	727.57
		<u>28,953.23</u>	<u>25,597.33</u>
Other income	19	354.55	362.33
<b>Total Income</b>		<u>29,307.78</u>	<u>25,959.66</u>
<b>Expenses:</b>			
Cost of material consumed	20	21,838.68	18,834.82
Changes in inventories of finished goods and work-in-progress	21	(1,523.30)	(433.03)
Employee benefits expense	22	1,679.86	1,533.90
Finance costs	23	342.95	288.44
Depreciation and amortization expense	11 & 12	736.90	692.02
Other expenses	24	4,568.81	3,950.87
		<u>27,643.90</u>	<u>24,867.01</u>
<b>Profit before tax</b>		<u>1,663.88</u>	<u>1,092.65</u>
<b>Tax expense</b>			
Current tax		-	-
Deferred Tax (Refer Note 30)		427.69	388.71
Quarterly return and statements filed with the bank are in		(63.46)	-
<b>Profit/(Loss) after tax</b>		<u>1,299.65</u>	<u>703.94</u>
<b>Earning per equity share [Nominal value of share Rs. 4 each (previous year Rs. 4 each) Basic and diluted</b>	31	0.68	0.37


See accompanying notes forming part of the financial statements 1 to 47

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

As per our report of even date attached

For Deloitte Haskins & Sells  
Chartered Accountants  
ICAI Firm Registration No : 015125N

  
Vijay Agarwal  
Partner



Place: Gurugram  
Date: July 26, 2024

For and on behalf of the Board of Directors of  
India Steel Summit Private Limited

  
Hiroyuki Kato  
Managing Director  
DIN No : 09146115

  
Takahiro Chigira  
Director  
DIN No : 08848859

Place: Greater Noida  
Date: July 26, 2024

  
Sitansu Sekhar Dash  
Company Secretary

Place: Greater Noida  
Date: July 26, 2024

India Steel Summit Private Limited  
Cash Flow Statement for the year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)  
CIN: U27109UP2006PTC094746  
Address: Plot no 2F, 2G, Ecotech-III, Udyog Kendra, Greater Noida, Pin Code-201306

	For the Period ended 31 March 2024	For the year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,663.88	1,092.65
Adjustment for :		
Depreciation and amortization expense	736.90	692.02
Interest expenses and other borrowing costs	342.95	288.44
Amortisation of premium on forward contract	33.04	81.09
Provision for slow moving inventory	(24.36)	63.94
(Gain)/ Loss on write off of property, plant and equipment	4.41	(1.15)
Bad debts/ Balance written off	-	0.18
Interest on fixed/security deposits	(2.87)	(1.56)
Provision for contingency (Refer Note 27)	98.61	-
Unrealised forex exchange loss	13.61	21.46
<b>Operating profit/ (loss) before working capital changes</b>	<b>2,866.17</b>	<b>2,237.06</b>
<b>Movements in working capital</b>		
(Increase)/decrease in inventories	(1,683.53)	(1,624.18)
(Increase)/decrease in trade receivables	(215.56)	(7.51)
(Increase)/decrease in long-term loans and advances	19.90	6.88
(Increase)/decrease in other non-current assets	(12.66)	(16.24)
(Increase)/decrease in short-term loans and advances	(111.90)	(388.96)
(Increase)/decrease in other current assets	63.88	(45.17)
Increase/(decrease) in trade payables	540.40	814.63
Increase/(decrease) in other current liabilities	(161.85)	127.41
Increase/(decrease) in provisions	58.17	(45.80)
<b>Cash generated from operations</b>	<b>1,363.01</b>	<b>1,058.12</b>
Taxes refund/(paid)	(8.06)	14.05
<b>Net cash generated from operating activities (A)</b>	<b>1,354.95</b>	<b>1,072.17</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital-work-in- progress)	(509.26)	(197.56)
Proceeds from sale of property, plant and equipment	0.62	5.72
Interest received on fixed/security deposits	2.87	1.56
<b>Net cash used in investing activities (B)</b>	<b>(505.77)</b>	<b>(190.28)</b>
<b>C. Cash flow from financing activities</b>		
Receipt/(repayment) of short-term borrowings	330.00	(630.00)
Other borrowing cost paid	(13.66)	(34.04)
Interest paid	(333.15)	(254.40)
Dividend Paid	(490.67)	-
<b>Net cash used in financing activities (C)</b>	<b>(507.48)</b>	<b>(918.44)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>341.70</b>	<b>(36.54)</b>
Cash and cash equivalents at the beginning of the year	138.61	175.15
<b>Cash and cash equivalents at the end of the year</b>	<b>480.31</b>	<b>138.61</b>
<b>Components of cash and cash equivalents</b>	<b>As at 31-Mar-24</b>	<b>As at 31-Mar-23</b>
Cash and cash equivalent	0.59	0.67
Balances with Scheduled Banks:		
- on current account	479.72	137.94
<b>Total</b>	<b>480.31</b>	<b>138.61</b>

The Cash flow Statement has been prepared in accordance with the "Indirect Method" as set out in the Accounting Standard (AS3) on "Cash Flow Statements".

As per our report of even date attached.  
For Deloitte Haskins & Sells  
Chartered Accountants  
ICAI Firm Registration No : 0151257

For and on behalf of the Board of Directors of  
India Steel Summit Private Limited

Vijay Agarwal  
Partner



Hiroyuki Kato  
Managing Director  
DIN No : 09146115

Takahiro Chigira  
Director  
DIN No : 08848859

Sitanu Sekhar Dash  
Company Secretary

Place: Gurugram  
Date: July 26, 2024

Place: Greater Noida  
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Place: Greater Noida  
Date: July 26, 2024

India Steel Summit Private Limited  
Notes to the financial statements for year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)

	As at 31 March 2024 Number of Shares	As at 31 March 2023 Number of Shares	As at 31 March 2024 Amount	As at 31 March 2023 Amount
<b>Note 3: Share capital</b>				
<b>Authorised</b>				
Equity Shares of Rs. 4 each (previous year of Rs. 4 each)	444,500,000	444,500,000	17,780	17,780
<b>Issued, subscribed and fully paid-up</b>				
Equity Shares of Rs. 4 each (previous year of Rs. 4 each)	192,000,000	192,000,000	7,680	7,680
	192,000,000	192,000,000	7,680	7,680

a) Reconciliation of shares outstanding at the beginning and at the end of year:

	As at 31 March 2024 Number of Shares	As at 31 March 2024 Amount	As at 31 March 2023 Number of Shares	As at 31 March 2023 Amount
At the commencement of the year	192,000,000	7,680	192,000,000	7,680
Add: Share issued during the year	-	-	-	-
At the end of the year	192,000,000	7,680	192,000,000	7,680

b) Rights, preferences and restrictions attached to shares

Equity shares

The Company has a single class of equity shares having par value of Rs. 4 each (previous year Rs. 4 each). Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Quarterly return and statements filed with the bank are in

c) Shares held by Ultimate Holding / Holding Company (including shareholders holding more than 5% of the aggregate shares in the Company)

	As at 31 March 2024 Number of Shares	% holding	As at 31 March 2023 Number of Shares	% holding	As at 31 March 2024 Amount	As at 31 March 2023 Amount
Equity Shares of Rs. 4 each fully paid up held by:						
F-TECH INC., Japan, Holding Company and Ultimate Holding Company	172,800,000	90%	172,800,000	90%	6,912	6,912
Fukuda Engineering Co., Ltd.	19,200,000	10%	19,200,000	10%	768	768
	192,000,000	100%	192,000,000	100%	7,680	7,680

d) Shareholding of Promoters

Promoter Name	No. of shares as on 31 March, 2024	% of total shares as on 31 March, 2024	No. of shares as on 31 March, 2023	% of total shares as on 31 March, 2023	% Change during the year
F-TECH INC., Japan	172,800,000	90%	172,800,000	90%	0%



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
 (All amounts are in lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>Note 4: Reserves and surplus</b>		
At the commencement of the year	2,453.37	1,749.43
Add: Profit for the year	1,299.65	703.94
Less: Dividend Paid	(490.67)	-
At the end of the year	<u>3,262.35</u>	<u>2,453.37</u>
<b>Note 5: Long-term provisions</b>		
<b>Provision for employee benefits:</b>		
- Gratuity (Refer to note 32)	211.94	182.58
- Compensated absences (Refer to note 32)	115.53	111.00
	<u>327.47</u>	<u>293.58</u>
<b>Note 6: Short-term borrowings</b>		
<b>Secured loan repayable on demand from bank</b>		
Working capital demand loan from bank #	4,870.00	3,900.00
Short Term Loan^	-	640.00
	<u>4,870.00</u>	<u>4,540.00</u>

# Working capital demand loan is taken from MCFG Bank, Mizuho Bank and Sumitomo Mitsui Banking Corporation (SMBC). The facility are repayable on demand and carries interest rate ranging between 7.63 % to 8.20% p.a. (previous year at 5.00% to 8.20 % p.a.), computed on a monthly basis on the actual amount utilised. The working capital demand loan is guaranteed by way of letter of guarantee given by F-TECH INC, Japan dated 31st May 2023.

^ Short term loan is taken from Sumitomo Mitsui Banking Corporation (SMBC). The facility is repayable on demand and carries interest rate at 7.90% p.a. (previous year ranging from 5.04% p.a. to 7.90% p.a.). The short term loan is guaranteed by way of letter of guarantee given by F-TECH INC, Japan dated 31st May 2023.

The Working capital demand loan and short term loan on combined basis guaranteed by way of letter of guarantee given by F-TECH INC, Japan dated 31st May, 2023 to the extent of Rs.4,000 lakhs for each bank. However, as per Indemnity agreement, the obligation and liability of F-TECH INC under the guarantee shall not exceed Rs.8,000 lakhs in aggregate and at any one point outstanding.

**Notes:**

- 1 Quarterly return and statements filed with the bank are in accordance with the books
- 2 The borrowings have been utilized for the purpose for which it was taken.



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*N. K.*

**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

	As at 31 March 2024	As at 31 March 2023
<b>Note 7: Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises (Refer note 34)	315.14	160.24
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,489.95	3,057.79
	<u>3,805.09</u>	<u>3,218.03</u>

**As at March 31, 2024**

Particulars	Outstanding for the following periods from the due date of payment					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
(i) MSME	205.39	16.87	-	-	-	222.26
(ii) Other	3,069.60	249.22	-	-	-	3,318.82
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-others	-	-	-	-	-	-
<b>Subtotal</b>	<b>3,274.99</b>	<b>266.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,541.08</b>
(v) Accruals (includes MSME)	264.01	-	-	-	-	264.01
<b>Total</b>	<b>3,539.00</b>	<b>266.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,805.09</b>

**As at March 31, 2023**

Particulars	Outstanding for the following periods from the due date of payment					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
(i) MSME	109.51	4.12	-	-	-	113.63
(ii) Other	2,483.41	351.74	-	-	-	2,835.15
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-others	-	-	-	-	-	-
<b>Subtotal</b>	<b>2,592.92</b>	<b>355.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,948.78</b>
(v) Accruals (includes MSME)	269.25	-	-	-	-	269.25
<b>Total</b>	<b>2,862.17</b>	<b>355.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,218.03</b>

**Note 8 : Other current liabilities**

Advance received from customers	410.45	536.03
Security deposits	37.50	27.50
Payable to employees	118.25	37.83
Interest accrued but not due	0.78	4.64
Statutory taxes payable	104.41	231.10
	<u>671.39</u>	<u>837.10</u>

**Note 9: Short-term provisions**

Provision for employee benefits		
- Gratuity (Refer note 32)	17.13	14.22
- Compensated absences (Refer note 32)	21.05	12.01
- Provisions for Contingency (Refer note 27)*	98.61	-
	<u>136.79</u>	<u>26.23</u>

\*During the FY 2023-24, CESTAT – Allahabad issued an adverse order and upheld the decision of CIT(A) and levied the interest and penalties in the excise duty matter. Company has made a provision in the books of account of Rs. 98.61 lacs and has filed an appeal to Allahabad High Court against the order of CESTAT-Allahabad.



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

	As at 31 March 2024	As at 31 March 2023
<b>Note 12: Long-term loans and advances</b> <i>(Unsecured and considered good unless otherwise stated)</i>		
<b>To parties other than related parties</b>		
Income tax (net of provision of Rs.Nil) (previous year Rs. Nil)	42.42	61.44
Prepaid Expenses*	323.29	336.70
Balance with government authorities	0.44	6.93
	<u>366.15</u>	<u>405.07</u>

\*Mainly pertains to lease rent paid to greater noida industrial development authority for a period of 76 years, starting from May 18, 2019

	As at 31 March 2024	As at 31 March 2023
<b>Note 12A: Other non-current assets</b>		
Security deposit	57.99	57.66
Excise duty paid under protest (Refer note 27)	12.33	12.33
	<u>70.32</u>	<u>69.99</u>

**Note 13: Inventories**

*(Valued at the lower of cost and net realizable value)*

Raw material* (including goods-in-transit of Rs. 869.09 lakhs) (previous year Rs. 1061.05 lakhs)	5,329.51	5,223.46
Work-in-progress ***	2,480.80	1,026.61
Finished goods**	825.47	778.92
Spares parts and packing material	319.10	218.00
	<u>8,954.88</u>	<u>7,246.98</u>

\*Net of provision for obsolescence of raw material inventory amounting to Rs. 18.62 lakhs (Previous year Rs. 65.54 lakhs)

\*\*\*Net of provision for obsolescence of finished goods inventory amounting to Rs. 20.36 lakhs (Previous year Rs. 10.55 lakhs)

\*\*Net of provision for obsolescence of Work-in-Progress inventory amounting to Rs. 61.15 lakhs (Previous year Rs. 48.41 lakhs)

<b>(a) Details of raw materials (including material-in-transit)</b>		
- Coil Sheet	5,329.51	5,223.46
	<u>5,329.51</u>	<u>5,223.46</u>
<b>(b) Details of work-in-progress</b>		
- Coil Sheet Parts	658.88	756.83
- Tools	1,821.91	269.78
	<u>2,480.80</u>	<u>1,026.61</u>
<b>(c) Details of finished goods</b>		
- Coil Sheet	825.47	778.92
	<u>825.47</u>	<u>778.92</u>

**Note 14: Trade receivables**

*(Unsecured and considered good unless otherwise stated)*

Receivables outstanding for a period exceeding six month from the date they became due for payment

- Unsecured, considered good	18.70	-
- Doubtful	-	-
Less: Provision for doubtful debts	-	-
(A)	<u>18.70</u>	<u>-</u>
Others receivables		
- Unsecured, considered good	3,283.19	3,086.33
(B)	<u>3,283.19</u>	<u>3,086.33</u>
A+B	<u>3,301.89</u>	<u>3,086.33</u>

Refer note 14A for ageing schedule



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

	As at 31 March 2024	As at 31 March 2023
<b>Note 15: Cash and cash equivalents</b>		
Cash in hand	0.59	0.67
Balances with banks		
- In current accounts	479.72	137.94
	<u>480.31</u>	<u>138.61</u>
<b>Note 16: Short-term loans and advances</b> <i>(Unsecured and considered good unless otherwise stated)</i>		
<b>To parties other than related parties</b>		
Balance with government authorities	128.53	0.15
Income tax recoverable	27.09	-
Prepaid expenses	76.36	60.11
Advance to vendors	606.05	592.55
Other advances	5.09	51.33
	<u>843.12</u>	<u>704.14</u>
<b>Note 17: Other current assets</b>		
Forward contract premium account	13.53	13.07
Security deposit	0.40	1.68
Unbilled Revenue	-	63.05
	<u>13.93</u>	<u>77.80</u>



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India Steel Summit Private Limited  
Notes to the financial statements for year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)

Note 14A - Trade Receivables ageing schedule:  
As at March 31, 2024

(Amount in lakhs)

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	
(i) Undisputed Trade receivables- considered good	3,167.77	115.42	18.70	-	-	-	3,301.89
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>3,167.77</b>	<b>115.42</b>	<b>18.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,301.89</b>
Less: Allowance for doubtful receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>3,167.77</b>	<b>115.42</b>	<b>18.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,301.89</b>

As at March 31, 2023

(Amount in lakhs)

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	
(i) Undisputed Trade receivables- considered good	2,536.03	550.30	-	-	-	-	3,086.33
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>2,536.03</b>	<b>550.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,086.33</b>
Less: Allowance for doubtful receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>2,536.03</b>	<b>550.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,086.33</b>



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India Steel Summit Private Limited  
Notes to the financial statements for year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)

Note 10: Property, plant and equipment (Tangible Assets)

Particulars	Gross block		Depreciation		Impairment reserve (refer to note 10A)		Net Block	
	As at 1 April 2023	Additions during the year	Deletions /adjustments	As at 31 March 2024	For the year	Deletions /adjustments	As at 31 March 2024	As at 31 March 2024
Leasehold land	4,518.65	-	-	4,518.65	52.63	-	792.74	3,725.92
Factory building	4,044.34	52.20	-	4,096.54	73.17	-	1,149.12	1,220.14
Plant and Machinery	9,839.32	309.82	10.76	10,138.38	482.22	5.17	4,570.12	1,946.12
Furniture and fittings	327.35	54.51	0.93	380.93	42.55	0.14	248.83	112.80
Office equipment	215.49	30.51	1.96	244.04	13.10	1.86	164.35	54.50
Computers	169.93	37.23	5.95	201.21	41.44	5.75	158.92	1.84
	19,115.08	484.27	19.61	19,579.75	705.11	12.92	7,084.08	5,395.74

Particulars	Gross block		Depreciation		Impairment reserve (refer to note 10A)		Net Block	
	As at 1 April 2022	Additions during the year	Deletions /adjustments	As at 31 March 2023	For the year	Deletions /adjustments	As at 31 March 2023	As at 31 March 2023
Leasehold land	4,518.65	-	-	4,518.65	52.48	-	740.11	3,778.54
Factory building	4,031.14	13.20	-	4,044.34	72.19	-	1,075.95	1,241.11
Plant and Machinery	9,715.95	128.80	5.43	9,839.32	435.27	0.93	4,093.07	2,122.69
Furniture and fittings	313.13	14.22	-	327.35	49.04	-	206.42	101.63
Office equipment	194.69	20.80	-	215.49	13.87	-	153.11	37.16
Computers	158.36	13.84	2.27	169.93	41.36	2.20	123.23	44.66
	18,931.93	190.85	7.70	19,115.08	664.21	3.13	6,391.88	5,397.40

Note 10A

In accordance with AS-28 "impairment of assets", the Company has identified Coal Center, Blanking Line, Tandem Line and Tool Room machinery as a separate cash generating unit. In the financial year 2012-13, due to the prevailing market conditions and the projected scale of operations at Blanking Line, Tandem Line and Tool Room, the recoverable value were lower than the carrying value indicating impairment in that year and accordingly, assets at Blanking Line, Tandem Line and Tool Room were impaired as at 31 March 2013. In the current year, there has been no further impairment charged to statement of profit and loss since the recoverable value is more than the carrying value of remaining assets. Further, Company has evaluated that no impairment reversal will take place at this point of time based on the Management assessment.



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Note 11: Property, plant and equipment (Intangible assets)

Particulars	Gross block			Depreciation			Impairment reserve (refer to note 10A)			Net Block	
	As at 1 April 2023	Additions during the year	As at 31 March 2024	As at 1 April 2023	For the year	As at 31 March 2024	As at 1 April 2023	For the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2024
ii) Intangible assets											
Computer software	329.31	17.66	346.97	211.76	31.79	243.55	23.04	-	23.04	80.38	80.38
<b>Total</b>	<b>329.31</b>	<b>17.66</b>	<b>346.97</b>	<b>211.76</b>	<b>31.79</b>	<b>243.55</b>	<b>23.04</b>	<b>-</b>	<b>23.04</b>	<b>80.38</b>	<b>80.38</b>

Particulars	Gross block			Depreciation			Impairment reserve (refer to note 10A)			Net Block	
	As at 1 April 2022	Additions during the year	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023
ii) Intangible assets											
Computer software	316.66	12.65	329.31	183.95	27.81	211.76	23.05	-	23.04	94.51	94.51
<b>Total</b>	<b>316.66</b>	<b>12.65</b>	<b>329.31</b>	<b>183.95</b>	<b>27.81</b>	<b>211.76</b>	<b>23.05</b>	<b>-</b>	<b>23.04</b>	<b>94.51</b>	<b>94.51</b>



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

**Note 11A: Capital work-In Progress (CWIP) ageing schedule**

**As at 31 March, 2024**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.38	-	-	-	7.38
Projects temporarily suspended	-	-	-	-	-

**As at 31 March, 2023**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.06	-	-	-	0.06
Projects temporarily suspended	-	-	-	-	-

Note: There is no project under CWIP whose completion is overdue or has exceeded its cost compared to its original plan.



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India Steel Summit Private Limited  
Notes to the financial statements for year ended 31 March 2024  
(All amounts are in lakhs, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Note 18: Revenue from operations</b>		
<b>Sales of products</b>		
- Steel coil/sheet/other parts	15,405.13	15,438.82
- Dies and components	12,473.35	9,157.42
<b>Total (A)</b>	<u>27,878.48</u>	<u>24,596.24</u>
<b>Sales of services</b>		
- Job work income	293.17	251.69
- Other Services	14.99	21.83
<b>Total (B)</b>	<u>308.16</u>	<u>273.52</u>
<b>Other operating income</b>		
- Sale of scrap	766.59	727.57
<b>Total (C)</b>	<u>766.59</u>	<u>727.57</u>
<b>Grand Total (A+B+C)</b>	<u>28,953.23</u>	<u>25,597.33</u>
<b>Note 19: Other income</b>		
Interest on security deposits/ fixed deposits	2.87	1.56
Net gain on account of foreign exchange fluctuations	94.63	132.59
Provision written back	-	50.00
Miscellaneous income	257.05	178.17
	<u>354.55</u>	<u>362.33</u>
<b>Note 20 : Cost of material consumed</b>		
Inventory at the commencement of the year	5,289.00	4,132.72
Purchases during the year	21,897.81	19,991.10
Inventory at the end of the year	(5,348.13)	(5,289.00)
	<u>21,838.68</u>	<u>18,834.82</u>
Below is the detail of raw materials consumed in broad heads		
- Steel coil/sheet for auto parts	21,584.74	18,580.89
- Tools	253.94	253.94
	<u>21,838.68</u>	<u>18,834.82</u>
Cost of material consumed and the percentage of each to the total consumption		
	%	%
- Indigenous	52%	48
- Imported	48%	52
	<u>100%</u>	<u>100</u>
	11,465.02	8,613.07
	10,373.66	10,221.76
	<u>21,838.68</u>	<u>18,834.82</u>
<b>Note 21 : Changes in inventories of finished goods and work-in-progress</b>		
<b>Inventory at the commencement of the year</b>		
- Finished goods	789.47	669.33
- Work-in-progress	1,075.02	762.13
	1,864.49	1,431.46
<b>Less: Inventory at the end of the year</b>		
- Finished goods	845.84	789.47
- Work-in-progress	2,541.95	1,075.02
	3,387.79	1,864.49
	<u>(1,523.30)</u>	<u>(433.03)</u>



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Note 22 : Employee benefits</b>		
Salaries, wages and bonus	1,394.27	1,370.48
Contribution to provident fund and other funds	66.37	61.21
Gratuity expense (Refer note 32)	44.46	26.89
Compensated absences (Refer note 32)	60.25	50.96
Staff welfare expenses	114.51	24.35
	<u>1,679.86</u>	<u>1,533.90</u>
<b>Note 23: Finance costs</b>		
Interest on cash credit	329.28	254.40
Guarantee fees	10.75	32.93
Bank Charges	2.92	1.11
	<u>342.95</u>	<u>288.44</u>
<b>Note 24: Other expenses</b>		
Communication	7.77	6.05
Electricity	180.56	185.95
Insurance	98.93	71.02
Labour charges	1,035.45	799.12
Job Work Charges	843.62	406.07
Legal and professional fee (Refer note 29)	403.23	273.92
Printing and stationery expenses	11.02	11.82
Rates and taxes, excluding taxes on income <sup>^</sup>	30.13	439.60
Recruitment charges	8.27	2.91
Rent expense	127.55	110.29
Repair and maintenance		
- Building	17.78	28.98
- Plant and machinery	71.18	49.53
- Others	91.69	74.22
Selling and distribution	292.61	214.65
Traveling and conveyance	214.48	212.91
Security charges	36.13	36.16
Stores and spares consumed*	886.42	703.37
Amortization of forward contract premium	33.04	81.09
Provision for inventory obsolescence	(24.36)	63.94
Bad Debts written off		66.01
Less: Adjusted from provision for doubtful debt	-	(65.84)
Corporate Social Responsibility Expenses (Refer Note 39)	22.65	17.28
Provision for Contingency ( Refer note 27)	98.61	-
Miscellaneous expenses	82.05	161.82
	<u>4,568.81</u>	<u>3,950.87</u>

<sup>^</sup> includes fees paid to Greater Noida Industrial Development Authority amounting to Rs. Nil (PY Rs. 403.39 lacs) as change in constitution (CIC) charges due to change in shareholding of the Company.

\* Stores and spares consumed and the percentage of each to the total consumption

	%		%	
- Indigenous	99.97	860.93	100	703.00
- Imported	0.03	25.49	0	-
	<u>100</u>	<u>886.42</u>	<u>100</u>	<u>703.00</u>



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**India Steel Summit Private Limited**  
**Notes to the financial statements for year ended 31 March 2024**  
**(All amounts are in lakhs, unless otherwise stated)**

**25. Key Ratio as per the revised schedule III of The Companies Act, 2013**

	Unit of Measurement	As at 31 March, 2024	As at 31 March, 2023	Change from the previous year	Explanation for any change in the ratio by more than 25% as compared to the preceding year
(a) Current Ratio (Current Asset / Current Liabilities)	No. of Times	1.43	1.31	10%	Not applicable
(b) Debt-Equity Ratio (Total debt / Shareholder's Equity)	No. of Times	0.45	0.45	-1%	Not applicable
(c) Debt Service Coverage Ratio (Operating Income / Total debts)	No. of Times	8.29	8.02	3%	Not applicable
(d) Return on Equity Ratio (Profit after taxes / Average Shareholder's Equity)	Percentage	16%	11%	44%	Mainly due to increase in profit after taxes for the current year
(e) Inventory turnover ratio (Cost of Goods Sold / Average Inventory)	No. of times	4.14	4.03	3%	Not applicable
(f) Trade Receivables turnover ratio (Net Credit Sales / Average Accounts Receivables)	No. of times	9.06	8.30	9%	Not applicable
(g) Trade payables turnover ratio (Net Credit Purchase / Average trade payables)	No. of times	6.24	7.24	-14%	Not applicable
(h) Net capital turnover ratio (Net sales / Average working capital)	No. of times	8.59	13.97	-39%	Mainly due to increase of average working capital as compared to last year
(i) Net profit ratio (Net profit / Net sales)	Percentage	6%	4%	44%	Mainly due to increase in net profit as compared to last year
(j) Return on Capital employed (Earnings before Interest and taxes / Capital employed)	Percentage	12.61%	9.18%	37%	Mainly due to increase in EBIT as compared to last year
(k) Return on investment (Interest Income / Investment)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**1. COMPANY OVERVIEW**

India Steel Summit Private Limited (herein after referred to as 'the Company') was incorporated in India on 26 August 2006 to carry on business for Steel processing, Manufacturing and selling of Press parts, Tools & Dies and Auto components in India. The Company has started its commercial operations from 2<sup>nd</sup> April 2010.

The registered address of the Company is 2F-2G, Udyog Kendra, Ecotech III, Greater Noida, Gautam Buddha Nagar, UP -201306, India.

The holding and ultimate holding company is F-Tech INC., a company incorporated in Japan w.e.f. 31<sup>st</sup> May 2022.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(i) Basis of preparation of financial statements**

These financial statements have been prepared and presented on a going concern basis, under the historical cost convention on an accrual basis of accounting and comply with the Indian Generally Accepted Accounting Principles (GAAP) and comply with the accounting standards, as prescribed by the Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, as adopted consistently by the Company. The financial statements are presented in Indian rupees.

**(ii) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

**(iii) Current/ Non-current classification**

All assets and liabilities are classified into current and non-current.

*Assets*

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

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

Current assets include the current portion of non-current financial assets.





**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

All other assets are classified as non-current.

*Liabilities*

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

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

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between rendering of such services and their realisation in cash or cash equivalents, the company has ascertained its operating cycle being a period within 12 months for the purpose of classification of the assets and liabilities as current and non-current.

**(iv) Revenue recognition**

Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognized as revenue is exclusive of goods and service tax and is net of returns, trade discounts and quantity discounts.

Revenue from services is recognized on rendering of services provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration.

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

Revenue from commission earned is recognized on accrual basis.

**(v) Property, plant and equipment and Capital work-in-progress**

**Property, plant and equipment:**

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Property, plant and equipment under development are disclosed as capital work-in-progress.

Depreciation on property, plant and equipment is provided using the straight-line method as per the estimated useful lives of the property, plant and equipment estimated by the management.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act. Based on internal technical evaluation, the management believes that the useful lives as considered for arriving at depreciation rates, best represent the period over which management expects to use these assets.

However, the useful life of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

<b>Assets</b>	<b>Estimated Life (Years)</b>
Crates	2
Moulds & Dies	3

Depreciation on additions is provided on a pro-rata basis from the date of acquisition/installation. Depreciation on sale/deduction from property, plant and equipment is provided for up to the date of sale/adjustment, as the case may be. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Leasehold land is amortized over the period of lease.

Depreciation for the year is recognized in the Statement of Profit and Loss.

Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

**Intangible assets:**

Acquired intangible assets:

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

Intangible assets are amortized in profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortized on straight line basis.

The amortization rate of computer software is 20% p.a. as the management estimates useful life of computer software is 5 years.

Amortization method and useful lives are reviewed at each reporting date.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the net book value of the asset and are recognized in the Statement of Profit and Loss.

**(vi) Impairment**

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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 or CGU.

Impairment losses are recognized in profit or loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such a reversal is recognized in the profit or loss.

**(vii) Inventories**

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and tools & dies are carried at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

First-in first-out cost formula is used for determining the cost of raw material inventory. In case of inventories purchased based on specific orders, specific costs are attributed to identify items of inventory.

Cost of work in progress and finished goods includes direct material, direct labour and appropriate factory overheads. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished goods.

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

The comparison of cost and net realizable value is made on an item-by-item basis.

**(viii) Foreign currency transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. All exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies are carried at cost.

The premium or discount that arises on entering into a forward exchange contract for hedging underlying liabilities is measured by the difference between the exchange rate at the date of the inception of the forward exchange contract and the forward rate specified in the contract and is amortized as expense over the life of contract. Exchange difference on such a contract should be recognised in the Statement of Profit & Loss in the reporting period in which exchange rate changes. Exchange difference on a forward exchange contract is the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period and the foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date.

Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognized in the Statement of Profit and Loss.

**(ix) Derivative instruments**

Apart from forward exchange contracts taken to hedge existing assets or liabilities, the Company also uses derivatives to hedge its foreign currency risk exposure relating to firm commitments and highly probable transactions. In accordance with the relevant announcement of the Institute of Chartered Accountants of India, the company provides for losses/ Gains in respect of such outstanding derivative contracts at the balance sheet date by marking them to market.

The changes in fair value of derivatives, designated as hedges, are recognised directly in Cash Flow Hedge Reserve under Reserves and Surplus. Amount accumulated in Cash Flow Hedge Reserve are reclassified to the Statement of Profit and Loss in the same periods during which the exchange fluctuation (gain)/loss on underlying transaction affects the Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in Reserves and Surplus is retained there and is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Reserves and Surplus is transferred to the statement of profit and loss.



**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**(x) Operating Leases**

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

Assets given by the Company under operating lease are included in property, plant and equipment. Lease income from operating leases is recognized in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognized as expenses.

**(xi) Employee benefits**

1 Short - term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

2 Post-employment benefits:

(a) Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to Government administered Provident Fund Scheme and Employee State Insurance Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(b) Defined benefit plan:

The Company's gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under plan is performed annually by a qualified actuary using the projected unit credit method.

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognized in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

The Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

(c) Compensated Absences:



**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

**(xii) Income taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in profit or loss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

**(xiii) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The Company has not issued any potential equity shares and accordingly the basic earnings per share and diluted earnings per share is the same.

**(xiv) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

*Contingencies*

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.



**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**(xv) Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**(xvi) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances on hand, cash balance with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

**(xvii) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**(xviii) Input tax credit**

Goods and services tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.



**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**26. Capital & other commitments (net of capital advances)**

	For the year ended 31 March 2024	For the year ended 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided	248.44	140.60
	<u>248.44</u>	<u>140.60</u>

**27. Contingent liabilities**

Excise duty matter *	NIL*	98.61
	<u>NIL</u>	<u>98.61</u>

\*During the FY 2023-2024 CESTAT–Allahabad issued an adverse order and upheld the decision of CIT(A) and levied the interest and penalties, in this matter company has made a provision in the books of account of Rs. 98.61 lakhs and has filed an appeal to Allahabad High Court against the order of CESTAT–Allahabad. Company has deposited 12.33 lakhs to the department under protest in the earlier years.

**28. Leases**

The Company has taken leases for certain premises, vehicles, equipments and residential accommodation for some of its employees under cancellable operating lease arrangements. Lease payments charged during the year to the Statement of Profit and Loss amount to Rs.127.55 lakhs (previous year Rs. 110.29 lakhs).

**29. Auditor's remuneration (exclusive of taxes)**

Statutory audit	19.00	17.50
Tax audit	1.50	1.50
Other certifications	-	8.00
Out of pocket expenses	0.57	0.52
	<u>21.07</u>	<u>27.52</u>



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**30. Deferred tax assets and Liabilities**

	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets in relation to:</b>		
Provisions for employee benefits		
- Provision for gratuity	57.65	49.53
- Provision for compensated leaves	34.37	30.96
Provision for slow moving inventory	25.21	31.34
Provision for bonus	32.69	8.34
Carry forward unabsorbed depreciation	168.37	745.47
	<u>318.29</u>	<u>703.16</u>
<b>Deferred tax liabilities in relation to:</b>		
Difference between written down value of property, plant and equipment as per Companies Act, 2013 and Income-tax Act, 1961.	(783.49)	(804.12)
<b>Net deferred tax asset/ (liability) recognized</b>	<u>(465.20)</u>	<u>(100.97)</u>

**31. Earnings per share**

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic earnings per equity share.

	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Profit after tax	1,299.65	703.94
b) Weighted average number of equity shares outstanding (Nos.) as at year end	1,920.00	1,920.00
c) Nominal value of equity shares (Rs.)	4.00	4.00
d) Basic and diluted earnings per share	0.68	0.37

**32. Disclosure pursuant to adoption of Accounting Standard 15 (Revised) - "Employee Benefits"**

**a.) Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs. 66.37 lakhs (Previous year Rs. 61.21 lakhs) (Refer Note 22)



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**b.) Defined benefit plans**

**Gratuity**

- i) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1	Present value of the obligation at the beginning of the year	196.80	180.54
2	Interest cost	14.52	12.96
3	Current service cost	26.92	25.14
4	Benefits paid	(12.19)	(10.63)
5	Actuarial (gain)/loss	3.02	(11.21)
6	Present value of the obligation at the end of the year	229.07	196.80

- ii) Actuarial (gain)/loss recognized are as follows:

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Actuarial (gain)/loss for the year- obligation	3.02	(11.21)
2	Actuarial (gain)/loss for the year- plan assets	-	-
3	Total (gain)/loss for the year	3.02	(11.21)
4	Actuarial (gain)/loss recognized in the year	3.02	(11.21)
5	Unrecognized actuarial (gain)/loss in the year	-	-

- iii) The amounts recognized in Balance Sheet are as follows:

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1	Present value of obligation as at the end of the year	229.07	196.80
2	Fair value of plan assets as at the end of the year	-	-
3	Obligation	(229.07)	(196.80)
4	Excess of actual over estimated	-	-
5	Unrecognized actuarial (gains)/loss	-	-
6	Net asset/(liability) recognized in balance sheet	(229.07)	(196.80)

- iv) Classification into Current / Non-Current Liabilities

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1	Current liability	17.13	14.22
2	Non-Current liability	211.94	182.58
3	<b>Total Pension benefit obligation (PBO) at the end of year</b>	<b>229.07</b>	<b>196.80</b>



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

v) The amounts recognized in Statement of Profit and Loss are as follows:

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Current service cost	26.92	25.14
2	Interest cost	14.52	12.96
3	Net actuarial (gain)/ loss recognized in the period	3.02	(11.21)
4	Expenses recognized in the statement of profit and losses	44.46	26.89

vi) Other disclosures of gratuity plan:

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
1.	Experience adjustment on plan benefit obligation	0.82	6.53	(37.73)	7.55	0.86

**Compensated Leaves**

vii) Scale of benefits

The total actuarial compensated leave liability arising out of encashment, availment, lapse and compensated absence, while in service or exist, as per the rules of the company, in accordance with AS – 15 (R) is given below:

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1.	Present value of obligation as at the end of the period:		
	- Compensated leave	121.65	109.23
	- Sick leave	14.93	13.78
	<b>Total</b>	<b>136.58</b>	<b>123.01</b>

viii) Classification into current / non-current liabilities

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1	<b>Earned leave:</b>		
	- Current liability	20.42	11.48
	- Non-current liability	101.23	97.74
2	<b>Sick leave:</b>		
	- Current liability	0.63	0.53
	- Non-current liability	14.30	13.25
	<b>Total Pension benefit obligation (PBO) at the end of year</b>	<b>136.58</b>	<b>123.00</b>

ix) Principal actuarial assumptions at the Balance Sheet date for gratuity and compensated absences are as follows:



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

A. Economic assumptions:

The principal assumptions are discount rate and salary growth rate. The discount rate is generally based on the market yield available on the Government Bond at the accounting date with a term that matches with the term of the liabilities and salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

S. No	Particulars	As at 31 March 2024	As at 31 March 2023
1	Discounting rate	7.23%	7.38%
2	Future salary increases	8.00%	8.00%

B. Demographic assumption:

S. No	Particulars	As at 31 March 2024	As at 31 March 2023
1	Retirement Age	58 Years	58 Years
2	Mortality table	IALM (2012-14)	
3	Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
	Upto 30 Years	3.00	3.00
	From 31 to 44 Years	2.00	2.00
	Above 44 Years	1.00	1.00

xi) General description of gratuity plan (Defined benefit plan):

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days basic salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service except in case of death no vesting conditions apply. The Company has not set any limit per employee for payment of gratuity.

xii) General description of Compensated leaves:

The Company has leave encashment plan wherein every employee is entitled to 20 days privilege leaves in a year and accumulation up to 40 days. Leaves are en-cashable during continuance of service and at the time of exit, at the last drawn salary. Sick leave encashment is not allowed but employees can carryover their sick leave till maximum accumulation of 35 leaves.

**33. Related Party Transactions**

In the normal course of business, the Company enters into transactions with affiliated companies and its parent and key management personnel. The transactions with related parties are at arm length basis. The names of related parties of the Company and their relationship, as required to be disclosed under Accounting Standard 18, are as follows:



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**Entities where control exists:**

**Holding Company and Ultimate Holding Company**

F-Tech Inc. (w.e.f. 31<sup>st</sup> May, 2022)  
 Sumitomo Corporation, Japan (ceased w.e.f. 31<sup>st</sup> May, 2022)

**Other parties with whom transactions have taken place during the year:**

**Fellow Subsidiaries**

Fukuda Engineering Co. Ltd. (w.e.f. 31<sup>st</sup> May, 2022)  
 Veegee Industrial Enterprises Private Limited (w.e.f. 31<sup>st</sup> May-2022)  
 G.D. Education Society (w.e.f. 31<sup>st</sup> May-2022)  
 Sumitomo Corporation Global Metals Co. Ltd. (ceased w.e.f. 31<sup>st</sup> May, 2022)  
 Sumitomo Corporation India Private Limited (ceased w.e.f. 31<sup>st</sup> May, 2022)

**Common Directorship/ related with Parent**

Veegee Auto Components Private Limited (w.e.f. 31<sup>st</sup> May-2022)  
 Progressive Tools & Components Private Limited (w.e.f. 31<sup>st</sup> May-2022)  
 F-Tech Automotive Components Private Limited (w.e.f. 31<sup>st</sup> May-2022)  
 PTC Engg. India Private Limited (w.e.f. 31<sup>st</sup> May 2022)

**Key Managerial Personnel**

Mr. Hiroyuki Kato (Managing Director) (w.e.f. 31<sup>st</sup> May,2022)  
 Mr. Sitansu Sekhar Dash (Company Secretary)  
 Mr. Tomotsugu Takashima (Managing Director) (ceased w.e.f. 31<sup>st</sup> May, 2022)

Following are the transactions executed with related parties during the year:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Purchase of Raw Materials &amp; Others</b>		
F-Tech Inc. (Holding Co.)	3.60	
From Fellow Subsidiaries:		
- Sumitomo Corporation Global Metals Co. Ltd.	-	5358.16
- Fukuda Engineering Co. Ltd.	686.75	54.62
- F-Tech Automotive Components Pvt. Ltd.	-	-
- Veegee Auto Components Private Limited	-	-
- Progressive Tools & Components Pvt. Ltd.	-	-
- Veegee Industrial Enterprises Pvt. Ltd.	14.17	-
<b>Reimbursement of Expenses</b>		
From Holding Company till 31 <sup>st</sup> May 2022		
- Sumitomo Corporation, Japan	-	50.02
- F-Tech Inc.	0.78	-
From Fellow Subsidiaries:		
- Fukuda Engineering Co. Ltd.	5.15	-



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

- F-Tech Philippines Mfg., Inc	0.89	
<b>Technical Assistance and License Fee/ Design Fees/ Royalty/ Guarantee Fees</b>		
To Holding Company		
F-Tech Inc, Japan		
- Guarantee Fee	10.74	32.93
- Insurance expense	9.92	
- Medical expense	0.23	
- Secondment Expenses	192.84	145.95
To Fellow Subsidiaries		
Sumitomo Corporation Global Metals Co. Ltd		
- License Fee		19.21
Fukuda Engg. Co. Ltd.		
- Design Cost	146.99	
- Royalty expense	64.74	
- Technical Support expense	125.76	
- Travelling expense	1.37	
- Others	2.27	
<b>CSR Expenditure (Refer Note 39)</b>		
- G.D Education Society	22.65	
<b>Sale of Goods/ Services</b>		
To Fellow Subsidiaries:		
- Fukuda Engg. Co. Ltd.	6.14	
- PTC Engg. India Pvt. Ltd.	165.59	
- F-Tech Philippines Mfg., Inc	29.16	
- Veegee Industrial Enterprises Pvt. Ltd.	5.57	
- Progressive Tools & Components Pvt. Ltd.	79.00	
- Sumitomo Corporation, Japan		0.70
- Vee Gee Auto Components Private Limited	1067.89	17.11

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Job Work Income/ Business Auxiliary Services</b>		
From Fellow Subsidiaries:		
- Sumitomo Corporation India Private Limited	-	1.71
<b>Managerial remuneration</b>		
Mr. Tomostugu Takashima	-	23.46
Mr. Hiroyuki Kato	83.55	61.45
Mr. Sitansu Sekhar Dash	23.47	22.68



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**Balance outstanding at the year end**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Loans and advances /Payables</b>		
Holding Company: - F-Tech Inc.	13.11	24.66
Fellow Subsidiaries:		997.25
- Sumitomo Corporation Global Metals Co., Ltd.	-	
- Fukuda Engineering Co. Ltd.	156.19	
- Veegee Industrial Enterprises. Pvt. Ltd.	10.06	
- Veegee Industrial Enterprises. Pvt. Ltd.	175.00	
- PTC Engineering India Pvt. Ltd.	10.00	
<b>Loans and advances / receivables</b>		
Holding Company: - Sumitomo Corporation, Japan	-	2.75
Fellow Subsidiaries:		232.08
- Fukuda Engineering Co. Ltd.	-	
- Vee Gee Auto Components Pvt. Ltd.	136.11	
- Progressive Tools & Components Pvt. Ltd.	37.92	
- PTC Engineering India Pvt. Ltd.	26.12	

**34. Details of dues to micro & small entrepreneurs as defined under the MSMED Act, 2006.**

Particulars	As on 31 March 2024	As on 31 March 2023
-The principal amount remaining unpaid to any supplier as at the end of each accounting period.	315.14	160.24
-The interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	-	-
-The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
-The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
-The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
-The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**35. Value of Imports on CIF Basis**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Raw materials*	10,235.12	10,711.59
Consumables	25.49	15.17
Capital Goods	37.62	14.52
	<b>10,298.23</b>	<b>10,741.28</b>

\*Includes material-in-transit of Rs.869.09 lakhs (Previous year Rs. 1,061.06 lakhs)

**36. Expenditure in foreign currency**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Guarantee fees	10.74	32.93
Technical and license fees	143.06	19.21
Royalty	64.74	23.89
Others	358.84	185.24
<b>Total</b>	<b>577.38</b>	<b>261.27</b>

**37. Earnings in foreign currency**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Value of export on FOB basis	50.30	21.83
	<u><b>50.30</b></u>	<u><b>21.83</b></u>

**38. Derivative instruments**

(a) Outstanding derivative instruments

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the company's strategy approved by the Board of Directors, which provides principles on the use of such forward contracts consistent with company's risk management policy. The Company does not use forward contracts for speculative purposes. Outstanding forward exchange contracts entered into by the Company are as below:

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Payables</b>		
USD 27.11 Lakh (Previous year USD 28.08 Lakh)	2271.36	2,329.36
JPY 93.47 Lakh (Previous year JPY Nil)	54.12	NIL



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

(b) Unhedged foreign currency exposures:

The Company's exposure in respect of foreign currency denominated assets and liabilities not hedged by derivative instruments or otherwise are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Payables</b>		
USD 4.75 Lakh (Previous year USD 2.80 Lakh)	396.29	230.16
JPY 209.23 Lakh (Previous year JPY 91.70 Lakh)	115.18	57.71
<b>Receivables</b>		
USD Nil (Previous year USD Nil)	NIL	NIL
JPY 4.00 Lakh (Previous year JPY 6.75 Lakh)	2.21	4.17

(c) The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**39. Corporate Social responsibility**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Amount required to be spent by the company during the year	22.65	17.28
(ii) Amount of expenditure incurred	22.65	17.28
(iii) (Surplus)/Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) The CSR amount has been spent on: Towards capital expenditure and uniform, books etc. for special need children, through G.D. Education society (Related Party).		

40. The Company is in the process of establishing a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. The Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required and as prescribed under law. The management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax act, 1961 will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation, if any.

**41. Segment Reporting**

In the opinion of the management, there is only one reportable segment (Manufacturing and trading of auto components including incidental income) as envisaged by AS – 17 'Segment Reporting', prescribed by the Companies (Accounting Standards) Rules, 2006. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the company. Secondary segment based on geography has not been presented as the Company operates primarily in India and the company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.



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**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

**42. Other Statutory Information**

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company is not declared willful defaulter by any bank or financial institution or other lender.
- iii) The Company does not have any transactions or outstanding payable/ receivables with struck off companies.
- iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- vi) 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.
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) 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:
  - (c) 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
  - (d) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

43. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**44. Audit Trail (edit log) facility**

As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail is not disabled.

The Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

- i. in respect of one accounting software, audit trail feature was not enabled at the database level to log any direct data changes throughout the period. Consequent to this, management could not identify that whether there were any instances of the audit trail feature being tampered with.
- ii. in respect of another software used by the Company to maintain inventory records, audit trail feature was not enabled throughout the year.



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*Handwritten signature in blue ink.*

**India Steel Summit Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**  
**(All amounts are in Lakhs, unless otherwise stated)**

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log) facility.

45. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.
46. The Board of Directors, in its meeting held on July 26, 2024, have recommended a final dividend of Rs.0.29 per equity share aggregating to Rs. 548.82 lacs for the financial year ended March 31, 2024. The recommendation is subject to approval of shareholder at the forthcoming annual general meeting. The dividend proposed is accordance with section 123 of the Act, as applicable.
47. The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited the suggestions from stakeholders. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For and on behalf of the Board of Directors of  
**India Steel Summit Private Limited**

**Hiroyuki Kato**  
Managing Director  
DIN No.: 09146115  
Place: Greater Noida  
Date: July 26, 2024

**Takahiro Chigira**  
Director  
DIN No.: 08848859  
Place: Greater Noida  
Date: July 26, 2024

**Sitansu Sekhar Dash**  
Company Secretary  
Place: Greater Noida  
Date: July 26, 2024

