



MDN/CS/AGM-51/2025-26

September 6, 2025

BSE Limited,
P.J. Towers,
Dalal Street
Mumbai- 400001
Scrip Code: 541195

National Stock Exchange of India Limited,
Exchange Plaza, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400051
Trading Symbol: MIDHANI

Sub: Notice of 51st Annual General Meeting of Members of Company and Annual Report for FY 2024-25.

Dear Sir/Madam,

I. Fifty-First (51st) Annual General Meeting:

This is to inform that, fifty first (51st) Annual General Meeting of MIDHANI will be held on Tuesday, September 30, 2025 at 11:00 AM (IST) through video conferencing/other audio-visual means.

II. Annual Report for FY 2024-25:

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), we are submitting herewith, the Annual Report for FY 2024-25 which also includes Notice of fifty first (51st) Annual General Meeting (AGM) of Members of the Company.

The Annual Report for FY 2024-25 is being sent through electronic mode to those Members who have registered their e-mail addresses with Company/ depositories. The aforementioned Annual Report of the Company is also available at Company's website at <https://midhani-india.in/annual-reports/>

Kindly take the above intimation on record.

Thanking you,

Yours faithfully,
For **Mishra Dhatu Nigam Limited**

Paul Antony
Company Secretary & Compliance officer
e-mail: company.secretary@midhani-india.in

Encl: As above

मिश्र धातु निगम लिमिटेड

(भारत सरकार का उद्यम)

पंजीकृत कार्यालय: पी.ओ. कंचनबाग, हैदराबाद, तेलंगाना -500058

MISHRA DHATU NIGAM LIMITED

(A Govt. of India Enterprise)

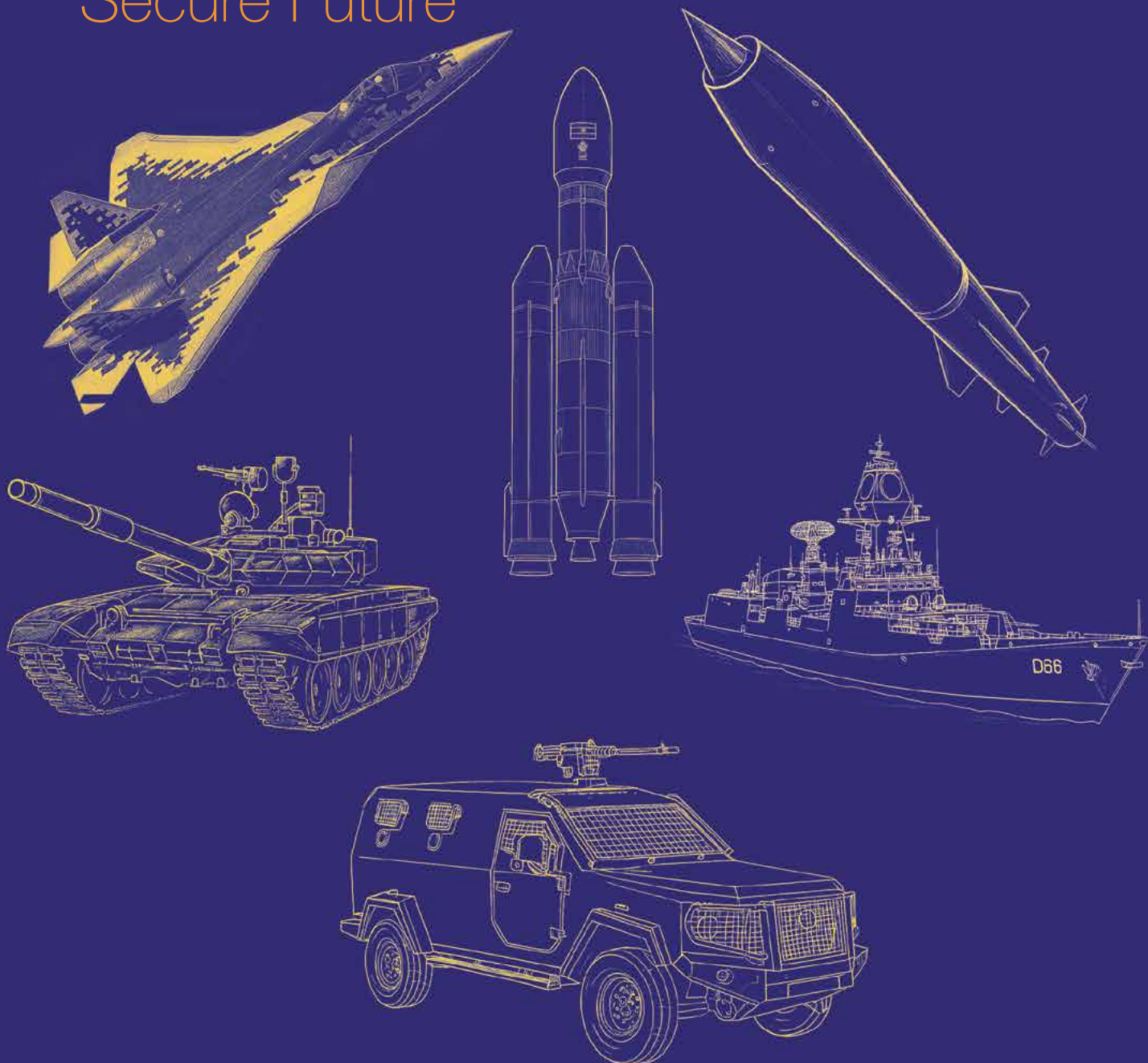
Registered Office: P.O. Kanchanbagh, Hyderabad, Telangana-500058

फोन Telephone: 040-24184000, फैक्स Fax: 040-24340039

निगमित पहचान सं. CIN: L14292TG1973GOI001660

वेबसाइट Website: www.midhani-india.in

Empowering Defence: Forging a Secure Future



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लोक सभा/राज्य सभा के पटल
पर रखे जाने वाले प्रपत्र

Papers to be laid on the table of Lok Sabha / Rajya Sabha

आधिप्रमाणित
Authenticated

रक्षा राज्य मंत्री
Raksha Rajya Mantri



For additional
information log on to
<https://midhani-india.in>



Empowering Defence: Forging a Secure Future

India's defence Sector has undergone a transformation, transitioning from a largely import dependent to a self-reliant ecosystem rooted in indigenous production. At MIDHANI we take great pride in our role as a trusted supplier of specialised materials to India's defence, aerospace and other strategic sectors.

India's Defence success story is evident in the increase in Defence Production and increase in Defence Exports in last 10 years which reflects India's ambition of 'Make in India and Make for World'.

MIDHANI's growth story aligns with India's record growth in Defence Production as Defence Sector contributed 37% of MIDHANI's total revenue which translates into a year-on-year growth of 42% compared with last financial year.

Our expertise in developing high-performance alloys has made us a key partner in strategic and critical projects which are of national importance.

With our strategic role in Defence and Aerospace Sector we remain committed to forging a secure future for the nation. We actively contribute to the Government of India's vision of Atmanirbhar Bharat through continuous enhancement of our capabilities, by strengthening our manufacturing infrastructure, expanding our global footprint and by diversifying alloy offerings.

Our commitment to empowering national defence is reflected in the decisions we take. With a continually evolving alloy portfolio and expanding operational footprint, we remain dedicated to strengthening India's defence—resilient, self-reliant, and future-ready.



MISHRA DHATU NIGAM LIMITED

Corporate Identity Number (CIN): L14292TG1973GOI001660

Registered Office: PO – Kanchanbagh Hyderabad - 500058, Telangana,

Tel. No: 040-2418 4515 Fax No: 040-2956 8502

Email Address: company.secretary@midhani-india.in **Website:** www.midhani-india.in

NOTICE is hereby given that the fifty-first (51st) Annual General Meeting of the Members of **MISHRA DHATU NIGAM LIMITED (MIDHANI)** will be held on Tuesday the 30th day of September 2025 at 11:00 A.M. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS

ITEM NO.1

To receive, consider and adopt:

- the audited standalone financial statements of the Company for the financial year ended March 31, 2025, the reports of the Board of Directors and Auditors thereon; and
- the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and report of the Auditors thereon.

ITEM NO.2

To appoint a Director in place of Dr. S.V.S. Narayana Murty (DIN: 11065319), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

ITEM NO. 3

Appointment of Dr. S.V.S. Narayana Murty (DIN:11065319) as Chairman & Managing Director of Company.

To consider and, if thought fit, to pass, the following resolutions as an **ORDINARY RESOLUTIONS**:

“RESOLVED THAT Dr. S.V.S. Narayana Murty (DIN: 11065319) appointed as Chairman & Managing Director of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to Ministry of Defence (MoD) letter No. F. No.5/1(1)/2022/D(NS) dated April 15, 2025 issued by Ministry of Defence, Department of Defence Production for a period commencing with effect from April 28, 2025 (assumption of charge date) till the date of his superannuation i.e. December 31, 2029 or until further orders by Ministry of Defence whichever

is earlier; be and is hereby appointed as Chairman & Managing Director of MIDHANI (liable to retire by rotation), with effect from April 28, 2025 till December 31, 2029 or until further orders issued by Ministry of Defence, whichever is the earliest, pursuant to the applicable provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 4

Appointment of Smt. Madhubala Kalluri (DIN: 11202794) as Director (Finance) of the Company

To consider and, if thought fit, to pass, the following resolutions as an **ORDINARY RESOLUTIONS**:

“RESOLVED THAT Smt. Madhubala Kalluri (DIN: 11202794) appointed as Director (Finance) of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to Ministry of Defence (MoD) letter No. F. No. 5/1 (1)/ 2024/ D (NS) dated July 17, 2025 issued by Ministry of Defence, Department of Defence Production for a period commencing with effect from July 21, 2025 (assumption of charge date) till the date of her superannuation i.e. August 31, 2027 or until further orders by Ministry of Defence whichever is earlier; be and is hereby appointed as Director (Finance) (Executive – Whole-time Director) of MIDHANI (liable to retire by rotation), with effect from July 21, 2025 till August 31, 2027 or until further orders issued by Ministry of Defence, whichever is the earliest, pursuant to the applicable provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company

Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 5

Appointment of Shri Amit Satija (DIN: 08989543) as Government Nominee Director.

To consider and, if thought fit, to pass, the following resolutions as an **ORDINARY RESOLUTIONS**:

“**RESOLVED THAT** Shri Amit Satija (DIN: 08989543) appointed as Government Nominee Director of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to the Office Memorandum 8(32)/2019-D(Coord/DDP) dated December 10, 2024 issued by Ministry of Defence, Department of Defence Production; be and is hereby appointed as Nominee Director (Non-Executive) on the Board MIDHANI, with effect from December 10, 2024, not liable to retire by rotation, till further orders issued by Ministry of Defence, pursuant to the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 6

Re-appointment of Smt. V.T. Rema (DIN: 09561611) as Independent Director of the Company

To consider and, if thought fit, to pass, the following resolutions as **SPECIAL RESOLUTIONS**:

“**RESOLVED THAT** Smt. V.T. Rema (DIN: 09561611) re-appointed as Independent Director of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to Ministry of Defence (MoD) letter No. 11(70)/2021/Misc. D(NS) dated April 18, 2025 issued by Ministry of Defence, Department of Defence Production for a period of one (1) year commencing with effect from April 18, 2025 or until further orders by Ministry of Defence whichever is earlier; be and is hereby re-appointed as Independent Director of MIDHANI, with effect from April 18, 2025 till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest, pursuant to the applicable provisions of Regulation 17 and Regulation 25 (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 7

Appointment of Shri Ajay Kumar Chauhan (DIN: 09394953) as Independent Director of the Company

To consider and, if thought fit, to pass, the following resolutions as **SPECIAL RESOLUTIONS**:

“**RESOLVED THAT** Shri Ajay Kumar Chauhan (DIN: 09394953) appointed as Independent Director of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to Ministry of Defence (MoD) letter No. 11(70)/2021/Misc. D(NS) dated April 18, 2025 issued by Ministry of Defence, Department of Defence Production for a period of one (1) year commencing with effect from April 18, 2025 or until further orders by Ministry of Defence whichever is earlier; be and is hereby appointed as Independent Director of MIDHANI, with effect from April 18, 2025 till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest, pursuant to the applicable provisions of Regulation 17 and Regulation 25 (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 8

Appointment of Ms. Aruna Sarap (DIN: 09583629) as Independent Director of the Company

To consider and, if thought fit, to pass, the following resolutions as **SPECIAL RESOLUTIONS**:

“**RESOLVED THAT** Ms. Aruna Sarap (DIN: 09583629) appointed as Independent Director of Mishra Dhatu Nigam Limited (MIDHANI) pursuant to Ministry of Defence (MoD) letter No. 11(70)/2021/Misc. D(NS) dated April 18, 2025 issued by Ministry of Defence, Department of Defence Production for a period of

one (1) year commencing with effect from April 18, 2025 or until further orders by Ministry of Defence whichever is earlier; be and is hereby appointed as Independent Director of MIDHANI, with effect from April 18, 2025 till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest, pursuant to the applicable provisions of Regulation 17 and Regulation 25 (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 9

To appoint D. Hanumantha Raju & Co. – Company Secretaries as Secretarial Auditors of the Company

To consider and, if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof, for the time being in force),

D. Hanumantha Raju, Practicing Company Secretaries be and is hereby appointed as Secretarial Auditors of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of the Fifty-First Annual General Meeting, until conclusion of the Fifty-Sixth Annual General Meeting of the Company, at a fee of ₹ 74,500/- (plus taxes) (per year).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

ITEM NO. 10

To ratify the remuneration to be paid to BVR & Associates, Cost Accountants as Cost Auditor of the Company for FY 2025-26.

To consider and, if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, fee of ₹ 99,000/- (excluding applicable statutory levies and reimbursement of out-of-pocket expenses), to be paid to BVR & Associates, Cost Accountants (Registration No 000453), appointed by the Board of Directors as Cost Auditor to conduct the audit of cost records of the Company, as applicable, for the Financial Year ending on March 31, 2026, be and is hereby ratified.”

By the Order of the Board of Directors

Hyderabad
August 13, 2025

Sd/-
Paul Antony
Company Secretary & Compliance officer
Membership No. A29037

NOTES:

1. Ministry of Corporate Affairs (MCA) vide its General Circular No. 09/2024 dated September 19, 2024 read with the circulars issued earlier on the subject (collectively referred to as ‘MCA Circulars’) and SEBI vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 read with the circulars issued earlier on the subject (collectively referred to as “SEBI Circulars”), have permitted for holding Annual General Meeting (“AGM”) through VC/ OAVM, without physical presence of the Members at a common venue.

In compliance with the MCA Circulars and SEBI Circulars, the provisions of the Act and the SEBI Listing Regulations, the 51st AGM is being held through VC/OAVM. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM

Notice of the 51st AGM along with the Annual Report for FY 2024-25 is being sent by electronic mode to those members whose e-mail address is registered with the Company/Depositories, unless a member has requested for a physical copy of the same. Members whose email address has not been registered with the Company / Depositories, a letter providing the web-link, through which

Annual Report can be accessed, is being sent. Members may note that the Notice of AGM and Annual Report for FY 2024-25 will also be available on the Company’s website <http://midhani-india.in/> website of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com>. The Company will also publish advertisement in the newspapers containing details of the AGM to be conducted via VC/OAVM, and other relevant information for the shareholders.

2. Since the AGM is held through VC/OAVM, route map to the venue is not required and therefore, the same is not annexed to this Notice.
3. The Statement pursuant to Section 102 of the Companies Act, 2013 (‘Act’) in respect of Item Nos. 3 to 10 of the Notice, is annexed hereto. Further, disclosures in relation to Item Nos 3 to 8 of the Notice, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (‘SS-2’) forms part of this Notice.

4. Details of Directors retiring by rotation and proposed to be re-appointed at the Meeting is as below:

Dr. S.V.S. Narayana Murty (DIN:11065319)	
Age	55 years
Qualifications	B.E. from Andhra University, Visakhapatnam; an M.E. from IISc, Bangalore; and a Ph.D. from IIT-Bombay, in Metallurgical Engineering.
Experience	He joined the Vikram Sarabhai Space Centre (VSSC), Trivandrum in 1993, contributing to the development of ultrahigh-strength steels, Titanium alloys, Super alloys, and Aluminium alloys. Prior to joining MIDHANI, he was working at the Liquid Propulsion Systems Centre (LPSC), ISRO, focusing on the indigenization and supply of critical materials for India’s space program.
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Dr. S.V.S. Narayana Murty is liable to retire by rotation.
Remuneration proposed to be paid	Dr. S.V.S. Narayana Murty has been appointed by Ministry of Defence in pay scale of ₹ 1,80,000 — 3,20,000/- (IDA Pattern)
Date of first appointment on the Board	April 28, 2025
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2025	Nil
Relationship with other Directors / Key Managerial Personnel	None

Dr. S.V.S. Narayana Murty (DIN:11065319)

Number of meetings of the Board attended	FY 2024-25 – Not applicable
	FY 2025-26 – 100% (as on August 13, 2025)

Directorships of other Boards as on March 31, 2025	None
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Listed entities from which the Director has resigned in the past three years	None
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5. Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Members holding equity shares of the Company as on September 23, 2025 (**'Cut-off date'**) can join the meeting anytime 30 minutes before the commencement of the AGM by following the procedure as outlined in **Annexure – 1** of the Notice.
6. Attendance through VC/OAVM is restricted and hence, members will be allowed on first come first serve basis. However, attendance of members holding more than 2% of the paid-up share capital of the Company, institutional investors, Directors and Key Managerial Personnel, Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors will not be restricted on first come first serve basis.
7. **Appointment of Proxy and Attendance Slip:** Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014 provides for appointment of proxy to attend and vote at a general meeting on behalf of the member who is not able to physically attend the AGM. Since the 51st AGM is being held through VC/OAVM and in accordance with the MCA Circular, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 51st AGM and therefore, proxy form and attendance slip are not annexed to this Notice.
8. Corporate shareholders/institutional shareholders intending to send their authorised representative(s) to attend and vote at the 51st AGM are requested to send from their registered email address, scan copy of the relevant Board Resolution/ Authority Letter, etc. authorizing their representative(s) to vote, to the Scrutinizer i.e. Shri Navajyoth Puttapparathi on his e-mail ID at cs@pjco.info with a copy marked to evoting@nsdl.com.
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab under their login.
9. **Cut-off Date:** Members may kindly note that September 23, 2025 has been fixed as the cut-off Date to determine entitlement of members to join 51st AGM and cast votes through remote e-voting and e-voting during the 51st AGM.
10. **Mandatory updation of PAN, KYC, nomination and bank details by Members**
- For Members holding shares in physical form:**
- As per Master Circular for Registrar to an Issue and Share Transfer Agents dated June 23, 2025 issued by SEBI, it is mandatory for all holders of physical shares in the Company to furnish PAN, contact details (postal address with PIN and mobile number), bank account details and specimen signature for their corresponding folio number(s) of physical securities. The relevant forms for updating the records are available on Company's website <https://midhani-india.in/>, and the duly filled forms may be sent to the Company's RTA at the earliest, preferably on or before September 23, 2025.
- For Members holding shares in demat form:**
- Members holding shares in demat form are requested to update PAN and other details with their Depository Participant(s).
11. **Unclaimed Dividend:** Details of unclaimed dividend are available on the Company's website, <https://midhani-india.in/unpaid-unclaimed-dividend-list/>. Members who wish to claim their unpaid/unclaimed dividend(s) may send a request to the Corporate Secretarial Department on e-mail ID: company.secretary@midhani-india.in or to the Company's RTA on e-mail ID: rta@alankit.com or by post to RTA's address at Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055.
12. **Electronic dissemination of AGM Notice and Annual Report:** Electronic/digital copy of the Annual Report for

FY25 and Notice of 51st AGM are being sent to all the Members whose e-mail ID is registered with the Company/ NSDL/CDSL. Members who have not registered their e-mail ID may get the same registered by following the instruction mentioned at (10) above. The Annual Report for FY25 and Notice of 51st AGM of the Company are available on the Company’s website viz. <https://midhani-india.in/> websites of BSE Limited and National Stock Exchange of India Limited, and on the website of NSDL at <https://www.evoting.nsdl.com>.

13. **Inspection of documents:** The statutory registers maintained under the Act, shall be made available for inspection to the members by accessing the NSDL e-voting platform at <https://www.evoting.nsdl.com> during the remote e-voting period and during the 51st AGM.

14. **Speaker Registration/ facility to non-speakers:**

Registration as speaker at the AGM	Members who wish to raise queries at the AGM may register themselves as ‘Speaker’ by sending request to the said effect from their registered email address to the e-mail ID: company.secretary@midhani-india.in quoting their name, DP ID and Client ID/folio number, on or before September 23, 2025. It is also advisable to submit questions/ subject matter to be addressed by shareholder.
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Facility for non-speakers	Members who wish to receive any information on the Annual Report for FY25 or have questions on the financial statements and/or matters to be placed at the 51 st AGM, may send a communication from their registered email address to the e-mail ID: company.secretary@midhani-india.in quoting their name, DP ID and Client ID/folio number, on or before September 23, 2025.
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The Company reserves the right to restrict the number of questions and/ or number of speakers during the AGM, depending upon availability of time and for smooth conduct of the meeting. However, the Company will endeavour to respond to the questions which have remained unanswered during the meeting, over e-mail.

15. **E-voting :**

a) In accordance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, SS-2 and Regulation 44 of SEBI Listing Regulations, the Company has extended the facility of voting through electronic means including ‘Remote e-voting’

(e-voting other than at the AGM) to transact the business mentioned in the notice of 51st AGM.

b) Necessary arrangements have been made by the Company with NSDL to facilitate ‘Remote e-voting’ as well as e-voting at the AGM to be held through VC/OAVM facility. Members shall have the option to vote either through remote e-voting or voting through electronic means at the AGM.

c) The Company has appointed Shri Navajyoth Puttaparthi, Practising Company Secretary (Membership No. FCS 9896 and Certificate of Practice No. 16041) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.

d) Voting rights of members shall be reckoned on the paid-up value of equity shares registered in their name as on the ‘Cut-off date’ i.e. September 23, 2025.

e) Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the ‘Cut-off date’, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.

f) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9:00 a.m. (IST), September 26, 2025 (Friday)
End of remote e-voting	Up to 5:00 p.m. (IST) September 29, 2025 (Monday)

g) The procedure for e-voting on the day of the AGM is identical to remote e-voting instructions as outlined in **Annexure-1** to this Notice.

h) Any person who becomes a Member of the Company after dispatch of the Notice of 51st AGM and holds equity shares as on the ‘Cut-off date’ may also follow the procedure as outlined in **Annexure-1** to this Notice. Any person who is not a Member as on the ‘Cut-off date’ should treat this Notice for information purpose only.

i) Members present at the 51st AGM through VC/ OAVM facility and who have not cast their vote on resolutions set out in the 51st AGM Notice through remote e-voting, and who are not otherwise barred from doing so, shall be allowed to vote through e-voting

facility during the 51st AGM. However, Members who have exercised their right to vote by remote e-voting may attend the 51st AGM but shall not be entitled to cast their vote again.

- j) Members can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the 51st AGM. If a Member cast votes by both modes, then voting done through remote e-voting shall prevail.
- k) In case of joint holders attending the 51st AGM through VC/OAVM facility, only such joint holder who is higher in the order of names will be entitled to vote.

- 16. Declaration of results of voting: After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favour or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the voting will be declared within the time stipulated under the applicable laws. The voting results along with the Scrutinizer's report, will be hosted on the Company's website viz. <http://midhani-india.in/> website of NSDL, <https://www.evoting.nsdl.com/>, displayed on the Notice Board of the Company at the Registered Office and Corporate Office, and will be simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to Articles 67 of Article of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

The Department of Defence Production, Ministry of Defence, vide its letter No. F.No. 5/1 (1)/ 2022/ D (NS) dated April 15, 2025 appointed Dr. S.V.S. Narayana Murty (DIN: 11065319) as Chairman & Managing Director of Mishra Dhatu Nigam Limited (MIDHANI) for a period commencing from his assumption of charge of post till December 31, 2029 (date of superannuation) or until further orders issued by Ministry of Defence, whichever is the earliest.

Dr. S.V.S. Narayana Murty (DIN:11065319) assumed charge as Chairman & Managing Director of the Company w.e.f. April 28, 2025, the Board of Directors took note of his appointment as Chairman & Managing Director of the Company pursuant to applicable provisions of the Companies Act, 2013 and/or Articles of Association of the Company.

Dr. S.V.S. Narayana Murty has received his B.E. from Andhra University, Visakhapatnam, M.E. from IISc-Bangalore and Ph.D. from IIT-Bombay, all in Metallurgical Engineering. He joined Vikram Sarabhai Space Centre, Trivandrum in 1993 and worked extensively on the development of ultrahigh strength steels, Titanium alloys, Superalloys and Aluminium alloys. He was a post-doctoral fellow at the Steel Research Centre, National Institute for Materials Science, Japan (2003-2006) and worked on the development of ultrafine grained steels.

Prior to joining MIDHANI, he was working at Liquid Propulsion Systems Centre (ISRO), Trivandrum. At LPSC he was responsible for the indigenization and supply of materials for earth storable, cryogenic, semi-cryogenic stages as well as for satellite propulsion systems for Indian space program. His areas of expertise include aerospace materials development and processing, material testing, characterization, failure analysis of aerospace components and additive manufacturing.

Dr. S.V.S. Narayana Murty is in the list of top 2% scientists published by Stanford University. He has supervised 8 Ph.D. students and more than 25 masters' students. He is author of several ISRO internal technical reports and over 325 publications in international peer reviewed journals.

Pursuant to Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the appointment of Managing Director is subject to the approval of shareholders.

Details of Dr. S.V.S. Narayana Murty, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

As per Section 190 of the Companies Act, 2013 the memorandum setting the terms of appointment is available for inspection at the registered office of the company by the members without the payment of any fee.

Dr. S.V.S. Narayana Murty is not disqualified from being appointed as a Director under provisions of Section 164, 196 (3) of the Companies Act, 2013 and read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Dr. S.V.S. Narayana Murty and his relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the resolution set out in item No. 3 of the accompanying Notice for the approval of the members of the Company by way of Ordinary Resolution.

Item No. 4

Pursuant to Article 67 of Articles of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

Ministry of Defence, Department of Defence Production vide Letter No. F. No. 5/1(1)/2024/D(NS) dated July 17, 2025 conveyed the appointment of Smt. Madhubala Kalluri (DIN: 11202794) as Director (Finance) of the Company for a period commencing from her assumption of charge of post till August 31, 2027 (date of superannuation) or until further orders issued by Ministry of Defence, whichever is the earliest.

Smt. Madhubala Kalluri (DIN: 11202794) assumed charge as Director (Finance) of the Company w.e.f. July 21, 2025, the Board of Directors took note of her appointment as Director (Finance) of the Company pursuant to applicable provisions of the Companies Act, 2013 and/or Articles of Association of the Company.

Smt. Madhubala Kalluri is a Postgraduate in Commerce from Andhra University and a Fellow Member of The Institute Cost

Accountants of India. She joined MIDHANI as Accounts Officer in 1993 and in a career spanning over 32 years, served the company in various capacities with exposure in all aspects of Accounting, Costing, Financial Management, Budgeting, Projects, Taxation and Audit. She also served as Chief Financial Officer (CFO) at MIDHANI for a brief period from 31st May, 2020 to 26th October, 2020.

As Head of Finance, she played a significant role in the formulation of various company policies and procedures. She has ensured that adequate internal financial controls are put in place in the Company. She has also served as member on the Board level Risk Management Committee.

Pursuant to Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the appointment of Director is subject to the approval of shareholders.

In view of above, approval of Members of Company by way of ordinary resolution is sought for appointment of Smt. Madhubala Kalluri (DIN:11202794) as Director (Finance) (Whole-time Director) of the Company for a period commencing from July 21, 2025 till August 31, 2027 or until further order conveyed by Ministry of Defence whichever is the earliest.

Details of Smt. Madhubala Kalluri, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

Smt. Madhubala Kalluri is not disqualified from being appointed as a Director under provisions of Section 164, of the Companies Act, 2013 and read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Smt. Madhubala Kalluri and her relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the said Resolution

The Board recommends the resolution set out in item No. 4 of the accompanying Notice for the approval of the members of the Company by way of Ordinary Resolution.

Item No. 5

Pursuant to Article 67 of Articles of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

Ministry of Defence, Department of Defence Production vide Letter No. 8 (32)/2019- D (Coord/DDP) dated December 10, 2024 conveyed the appointment of Shri Amit Satija, JS (Defence Industries Production), MoD, as Government Nominee Director on the Board of MIDHANI w.e.f. December 10, 2024.

He will continue to hold office until further orders, conveyed by Administrative Ministry in this regard. Shri Amit Satija shall not be liable to retire by rotation pursuant to Section 152 of the Companies Act, 2013. The Government Nominee Director on the Board of Company does not draw any sitting fees, commission or remuneration from the Company.

Shri Amit Satija is an IAS officer of 2008 batch from AGMUT cadre and is currently posted as Joint Secretary in the Defence Industries Promotion, Ministry of Defence. Shri Amit Satija is a graduate in Economics and has done Masters of Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai. He has served at various positions in different States and UTs in the country including Delhi, Goa, Andaman Nicobar Islands and Lakshadweep Islands.

As on date of this AGM Notice, He is Govt. Nominee Director on the Board of Defence Innovation Organisation; Munitions India Limited and Goa Shipyard Limited.

He was on the Board of Bharat Dynamics Limited; Hindustan Aeronautics Limited; Mazagon Dock Shipbuilders Limited.

Pursuant to Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the appointment of Director is subject to the approval of shareholders.

In view of above, approval of Members of Company by way of ordinary resolution is sought for appointment of Shri Amit Satija (DIN:08989543) as Government Nominee Director of the Company for a period commencing from December 10, 2024 till further order conveyed by Ministry of Defence.

Details of Shri Amit Satija, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

Shri Amit Satija is not disqualified from being appointed as a Director under provisions of Section 164, of the Companies Act, 2013 and read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Amit Satija and his relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives,

are concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the resolution set out in item No. 5 of the accompanying Notice for the approval of the members of the Company by way of Ordinary Resolution.

Item No. 6

Pursuant to Article 67 of Articles of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the re-appointment of Smt. V.T. Rema (DIN: 09561611) as Independent Director of the Company for a period one year i.e. till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest.

Smt. V. T. Rema (DIN: 09561611) was on the Board of MIDHANI as Independent Director since April 5, 2022 till April 4, 2025. She is a postgraduate with M.A. (English) from Calicut University, Kerala and M. Phil, from the same University. She has earlier worked as Associate Professor, Government College, Pattambi, Kerala from the year 1984 to 2014 and retired as Vice Principal. She has been a member of the Social Welfare Board, Kerala.

Pursuant to regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the appointment of Director is subject to the approval of shareholders.

In view of above, approval of Members of Company by way of special resolution is sought for appointment of Smt. V.T. Rema (DIN :09561611) as Independent Director of the Company for a period commencing from April 18, 2025 till April 17, 2026 or until further order conveyed by Ministry of Defence whichever is the earliest.

Details of Smt. V.T. Rema, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

Smt. V.T. Rema is not disqualified from being re-appointed as a Director under provisions of Section 164, of the Companies Act, 2013 and read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Smt. V.T. Rema and her relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the resolution set out in item No. 6 of the accompanying Notice for the approval of the members of the Company by way of Special Resolution.

Item No. 7

Pursuant to Article 67 of Articles of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Shri Ajay Kumar Chauhan (DIN: 09394953) as Independent Director of the Company for a period one year i.e. till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest.

Shri Ajay Kumar Chauhan (DIN: 09394953) belongs to Indian Revenue Service (IRS) 1984 Batch and has served at senior positions In Tax administration, Investigation, Quasi-Judicial Audit, Litigation and Research divisions of the Department. He was also on deputation as the first Director General of the Competition Commission of India, Ministry of Corporate Affairs, wherein some big cases of cartel bid rigging and abuse of dominance etc. were investigated.

Shri Ajay Kumar Chauhan holds M.B.A degree from Graduate School of Business, University of Sydney, M.Phil. (Organization Behavior) and M.A. (Industrial Psychology) from University of Delhi, B.A. (Hons.) from Aligarh University. Further, he holds several Diploma /Certificate on Advanced Management, Competition Laws & practices and Corporate Governance from Syracuse University, OECD and IIM.

He is a recipient of the prestigious Merit Scholarship awarded by Asian Development Bank, Manila and "Innovator of the year 2017" bestowed by the Commerce & Professional Institutions of Madhya Pradesh. He has been the Chairman/ Member of several committees: Competition law amendment committee, National faceless assessment scheme, Regional Economic Intelligence Council and Business process re-engineering project.

Pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the appointment of Director is subject to the approval of shareholders.

In view of above, approval of Members of Company by way of special resolution is sought for appointment of Shri Ajay Kumar Chauhan (DIN: 09394953) as Independent Director of the Company for a period commencing from April 18, 2025 till April 17, 2026 or until further order conveyed by Ministry of Defence whichever is the earliest.

Details of Shri Ajay Kumar Chauhan, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

Shri Ajay Kumar Chauhan is not disqualified from being appointed as a Director under provisions of Section 164, of the Companies Act, 2013 and read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Shri Ajay Kumar Chauhan and his relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the said Resolution

The Board recommends the resolution set out in item No. 7 of the accompanying Notice for the approval of the members of the Company by way of Special Resolution.

Item No. 8

Pursuant to Article 67 of Articles of Association (AoA) of the Company, the Chairman of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President of India (acting through Ministry of Defence (MoD)).

Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Ms. Aruna Sarap (DIN: 09583629) as Independent Director of the Company for a period one year i.e. till April 17, 2026 or until further orders issued by Ministry of Defence, whichever is the earliest.

Ms. Aruna Sarap is a graduate in B.com from Karnataka University Dharwad and has completed her Masters from IMER Belgaum. She has vast professional experience and has played various managerial roles in some of the well known Corporates, to name a few are Titan, Citi bank, National institute of Fire and safety, Yellow Pages and Triumphant Institute of Management Education. She has also served as faculty in RPD College and ITI Udyambag for HR subjects.

She had earlier been on the Board of HLL Biotech Ltd as Director. She also actively engages with social activities such as - volunteer teacher for Shri Shri Sanskar Kendra at Belgaum, member on the District Development Committee of Art of Living; Member of (Forum for Integrated National Security), FINS.; She is an advisor to Ashraya Foundation, which shelters and uplifts HIV POSITIVE girls/women.

Pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the appointment of Director is subject to the approval of shareholders.

In view of above, approval of Members of Company by way of special resolution is sought for appointment of Ms. Aruna Sarap (DIN: 09583629) as Independent Director of the Company for a period commencing from April 18, 2025 till April 17, 2026 or until further order conveyed by Ministry of Defence whichever is the earliest.

Details of Ms. Aruna Sarap, pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable forms part of Notice of the 51st AGM.

Ms. Aruna Sarap is not disqualified from being appointed as a Director under provisions of Section 164, of the Companies Act, 2013 and read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Ms. Aruna Sarap and her relatives, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the said Resolution

The Board recommends the resolution set out in item No. 8 of the accompanying Notice for the approval of the members of the Company by way of Special Resolution.

Item No. 9

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity and the company can appoint or re-appoint a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting.

The Board of Directors at its meeting held on August 13, 2025, in terms of the provisions of Section 204 of the Companies Act, 2013 (Act) read with the Listing Regulations, recommended for approval of the members of the Company, appointment of M/s. D. Hanumantha Raju, Practising Company Secretaries as Secretarial Auditor of the Company, to hold office for 5 (five) consecutive years from the conclusion of this Fifty-First Annual General Meeting, until the conclusion of the Annual General Meeting to be held in the calendar year 2030.

M/s. D. Hanumantha Raju & Co., Practising Company Secretaries were Secretarial Auditors of the Company for FY 2023-24 & FY 2024-25.

D. Hanumanta Raju & Co., Practising Company Secretaries, Hyderabad was established in year 1990 which is a renowned, well-established and peer reviewed firm. It offers a wide range of legal and secretarial professional services and has conducted Secretarial Audit of various companies including Public Sector Undertakings. Shri D. Hanumanta Raju, Company Secretary in Practise (FCS: 4044; COP: 1709) (founder of the firm) has an experience of more than three decades in various facets of public issues. He is also a visiting faculty renowned business school and also act as faculty for institutes such as ICSI, ICMAI and ICAI.

D. Hanumanta Raju & Co. has accorded their consent to the aforesaid proposed appointment, and confirmed that their appointment, if made, shall be within the limits laid down by/ under the Listing Regulations and guidelines issued by ICSI in this regard. They have also confirmed that they hold a valid peer review certificate issued by the ICSI and are eligible for appointment as Secretarial Auditor and not disqualified for the proposed appointment, under the Act read with the rules made thereunder, Listing Regulations and applicable SEBI circulars.

D. Hanumanta Raju & Co. will be paid a fee of ₹ 74,500/- (per year) (plus taxes) for conducting secretarial audit & furnishing Annual Secretarial Compliance Report of the Company. None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommend the resolution set out at Item No. 9 of the Notice for approval of members through ordinary resolution.

Item No. 10

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

The Board of Directors of the Company on the recommendation of the Audit Committee approved the re-appointment of BVR & Associates, Cost Accountants (Firm Registration No. 00453), to conduct the audit of the cost records of the Company for the Financial Year 2025-26.

Brief profile, terms & conditions of appointment and the proposed fee of the proposed Cost Auditor, are as follows:

- a) **Brief Profile:** BVR & Associates, Cost Accountants, Hyderabad was established in year 2006. BVR & Associates has diverse experience of undertaking cost audits of companies engaged in Power, Steel, Infrastructure, Engineering etc. BVR & Associates comprises of well experienced professionals.
- b) **Term of appointment:** Appointed as Cost Auditor for FY 2025-26.
- c) **Proposed fees:** ₹ 99,000/- (excluding statutory levies and out of pocket expenditure)

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by members of the Company.

Accordingly, members are requested to consider and ratify the remuneration payable to Cost Auditors for the financial year 2025-26 as set out in the resolution for the aforesaid services.

The Board recommends the resolutions set out in Item No. 10 of the accompanying Notice for approval of the Members by way of an Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution at item No. 10 of the accompanying Notice.

By the Order of the Board of Directors

Sd/-

Paul Antony

Company Secretary & Compliance Officer
Membership No. A29037

Hyderabad
August 13, 2025

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 3

Name of the Director	Dr. S.V.S. Narayana Murty
DIN	11065319
Date of Birth	December 13, 1969 (55 years)
Date of first appointment on the Board	April 28, 2025
Qualifications	Dr. S.V.S. Narayana Murty has completed his B.E. from Andhra University, Visakhapatnam, M.E. from IISc-Bangalore and Ph.D. from IIT-Bombay, all in Metallurgical Engineering.
Expertise in specific functional areas	<p>His areas of expertise include aerospace materials development and processing, material testing, characterization, failure analysis of aerospace components and additive manufacturing.</p> <p>He joined Vikram Sarabhai Space Centre, Trivandrum in 1993 and worked extensively on the development of ultrahigh strength steels, Titanium alloys, Superalloys and Aluminium alloys. He was a post-doctoral fellow at the Steel Research Centre, National Institute for Materials Science, Japan (2003-2006) and worked on the development of ultrafine grained steels. Prior to joining MIDHANI, he was working at Liquid Propulsion Systems Centre (ISRO), Trivandrum. At LPSC he was responsible for the indigenization and supply of materials for earth storable, cryogenic, semi-cryogenic stages as well as for satellite propulsion systems for Indian space program.</p>
Terms and conditions of appointment or reappointment	<p>The Department of Defence Production, Ministry of Defence, vide its letter No. F.No. 5/1 (1)/ 2022/ D (NS) dated April 15, 2025 appointed Dr. S.V.S. Narayana Murty (DIN: 11065319) as Chairman & Managing Director of Mishra Dhatu Nigam Limited (MIDHANI) for a period commencing from his assumption of charge of post till December 31, 2029 (date of superannuation) or until further orders issued by Ministry of Defence, whichever is the earliest in basic pay scale of (₹ 1,80,000 – 3,20,000) IDA Pattern.</p> <p>He assumed charge as Chairman & Managing Director w.e.f. April 28, 2025 and is liable to retire by rotation.</p>
Details of remuneration last drawn at MIDHANI (FY 2024-25)	Not applicable
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	Utkarsha Aluminium Dhatu Nigam Limited
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025)	None
No. of Board Meetings attended during the Financial Year 2024-25	Not applicable
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Dr. S.V.S. Narayana Murty is not related to any other Director or Key Managerial Personnel.

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 4

Name of the Director	Smt. Madhubala Kalluri
DIN	11202794
Date of Birth	August 24, 1967 (58 Years)
Date of first appointment on the Board	July 21, 2025
Qualifications	Smt. Madhubala is a Postgraduate in Commerce from Andhra University and a Fellow Member of The Institute Cost Accountants of India. She joined MIDHANI as Accounts Officer in 1993 and in a career spanning over 32 years, served the company in various capacities with exposure in all aspects of Accounting, Costing, Financial Management, Budgeting, Projects, Taxation and Audit. She also served as Chief Financial Officer (CFO) at MIDHANI for a brief period from 31 st May 2020 to 26 th October 2020
Expertise in specific functional areas	Smt. Madhubala Kalluri has diverse and vast experience in Finance, Planning & Management. As Head of Finance, she played a significant role in the formulation of various company policies and procedures. She has ensured that adequate internal financial controls are put in place in the Company. She has also served as member on the Board level Risk Management Committee.
Terms and conditions of appointment or reappointment	The Department of Defence Production, Ministry of Defence, vide its Letter No. F. No. 5/1(1)/2024/D(NS) dated July 17, 2025 conveyed appointment of Smt. Madhubala Kalluri (DIN: 11202794) as Director (Finance) of Mishra Dhatu Nigam Limited (MIDHANI) for a period commencing from date of assumption of charge of post till August 31, 2027 (i.e. date of superannuation), or until further orders issued by Ministry of Defence, whichever is the earliest. She has been appointed as Director (Finance) in basic pay scale of ₹ 1,60,000 – ₹ 2,90,000/- (IDA) pattern. She assumed charge as Director (Finance) w.e.f. July 21, 2025. She is liable to retire by rotation.
Details of remuneration last drawn at MIDHANI (FY 2024-25)	₹ 51,40,774
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	None
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025)	Nil
No. of Board Meetings attended during the Financial Year 2024-25	Not applicable
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Smt. Madhubala Kalluri is not related to any other Director or Key Managerial Personnel..

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 5

Name of the Director	Shri Amit Satija
DIN	08989543
Date of Birth	August 7, 1978 (47 Years)
Date of first appointment on the Board	December 10, 2024
Qualifications	Shri Amit Satija is an IAS officer of 2008 batch from AGMUT cadre and is currently posted as Joint Secretary in the Defence Industries Promotion, Ministry of Defence. Shri Amit Satija is a graduate in Economics and has done Masters of Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai
Expertise in specific functional areas	He has served at various positions in different States and UTs in the country including Delhi, Goa, Andaman Nicobar Islands and Lakshadweep Islands. As on date of this Notice, He is Govt. Nominee Director on the Board of Defence Innovation Organisation; Munitions India Limited and Goa Shipyard Limited. He was on the Board of Bharat Dynamics Limited; Hindustan Aeronautics Limited; Mazagon Dock Shipbuilders Limited.
Terms and conditions of appointment or reappointment	Ministry of Defence, Department of Defence Production vide Letter No. 8 (32)/2019- D (Coord/DDP) December 10, 2024 conveyed the appointment of Shri Amit Satija (DIN: 08989543) (Joint Secretary – Defence Industries Production (JS-DIP), MoD, as Government Nominee Director on the Board of MIDHANI w.e.f. December 10, 2024. He will continue to hold office until further orders, conveyed by Administrative Ministry in this regard. He is not liable to retire by rotation.
Details of remuneration last drawn at MIDHANI (FY 2024-25)	Not applicable, as Nominee Director not entitled to any sitting fees, remuneration or commission.
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	1. Munitions India Limited; and 2. Goa Shipyard Limited
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025)	Nil
No. of Board Meetings attended during the Financial Year 2024-25	3 out of 3
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Shri Amit Satija is not related to any other Director or Key Managerial Personnel.

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 6

Name of the Director	Smt. V.T. Rema
DIN	09561611
Date of Birth	February 28, 1958 (67 Years)
Date of first appointment on the Board	April 5, 2022
Qualifications	Smt. V.T. Rema is a postgraduate with M.A. (English) from Calicut University, Kerala and M. Phil, from the same University.
Expertise in specific functional areas	She has earlier worked as Associate Professor, Government College, Pattambi, Kerala from the year 1984 to 2014 and retired as Vice Principal. She has been a member of the Social Welfare Board, Kerala. She was on the Board of MIDHANI as Independent Director for a tenure of three years (i.e. April 5, 2022 till April 4, 2025).
Terms and conditions of appointment or reappointment	Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the re-appointment of Smt. V.T. Rema (DIN: 09561611) as Independent Director for a period one year w.e.f. April 18, 2025 till April 17, 2026 or until further orders by Ministry of Defence whichever is earliest. She is not liable to retire by rotation.
Details of remuneration last drawn at MIDHANI (FY 2024-25)	Sitting Fees : ₹ 2,95,000/-
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	None
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025)	Membership/Chairmanship held in MIDHANI: a) Audit Committee (Member); and b) Stakeholder's Relationship Committee (Chairperson)
No. of Board Meetings attended during the Financial Year 2024-25	8 out of 8
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Smt. V.T. Rema is not related to any other Director or Key Managerial Personnel.

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 7

Name of the Director	Shri Ajay Kumar Chauhan
DIN	09394953
Date of Birth	October 8, 1960 (64 Years)
Date of first appointment on the Board	April 18, 2025
Qualifications	Shri Ajay Kumar Chauhan belongs to Indian Revenue Service (IRS) 1984 Batch.
Expertise in specific functional areas	Shri Ajay Kumar Chauhan has served at senior positions In Tax administration, Investigation, Quasi-Judicial Audit, Litigation and Research divisions of the Department. He was also on deputation as the first Director General of the Competition Commission of India, Ministry of Corporate Affairs.
Terms and conditions of appointment or reappointment	Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Shri Ajay Kumar Chauhan (DIN: 09394953) as Independent Director for a period one year w.e.f. April 18, 2025 till April 17, 2026 or until further orders by Ministry of Defence whichever is earliest. He is not liable to retire by rotation.
Details of remuneration last drawn at MIDHANI (FY 2024-25)	Not applicable
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	None
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025) (Audit Committee & Stakeholders Relationship Committee considered)	Membership/Chairmanship held in MIDHANI: a) Audit Committee (Chairman).
No. of Board Meetings attended during the Financial Year 2024-25	Not applicable
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Shri Ajay Kumar Chauhan is not related to any other Director or Key Managerial Personnel.

Details of the Directors pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, as applicable.

Item No. 8

Name of the Director	Ms. Aruna Sarap
DIN	09583629
Date of Birth	September 18, 1977 (47 Years)
Date of first appointment on the Board	April 18, 2025
Qualifications	Ms. Aruna Sarap is a graduate in B.Com from Karnataka University Dharwad and has completed her Masters from IMER Belgaum.
Expertise in specific functional areas	She has vast professional experience and has played various managerial roles in some of the well known Corporates such as Titan , Citi bank, National institute of Fire and safety, Yellow Pages and Triumphant Institute of Management Education. She has also served as faculty in RPD College and ITI Udyambag for HR subjects.
Terms and conditions of appointment or reappointment	Ministry of Defence, Department of Defence Production vide Letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Ms. Aruna Sarap (DIN: 09583629) as Independent Director for a period of one year w.e.f. April 18, 2025 till April 17, 2026 or until further orders by Ministry of Defence whichever is earliest. She is not liable to retire by rotation.
Details of remuneration last drawn at MIDHANI (FY 2024-25)	Not applicable
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	None
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies as on August 13, 2025)	None
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding Private and Foreign Companies as on August 13, 2025) (Audit Committee & Stakeholders Relationship Committee considered)	Membership/Chairmanship held in MIDHANI: a) Audit Committee (Member).
No. of Board Meetings attended during the Financial Year 2024-25	Not applicable
No. of shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Name of listed companies from which Director has resigned in past three years	None

Note: Ms. Aruna Sarap is not related to any other Director or Key Managerial Personnel.

Annexure – 1

Instructions for remote e-voting and access to 51st Annual General Meeting

Members are requested to follow the instructions given below to cast their vote through e-voting and to access the Video Conference facility at the AGM:

- Shareholders holding shares either in physical form or in dematerialized form, as on the 'Cut-off date' i.e. September 23, 2025 may cast their vote electronically by logging to NSDL website at <https://www.evoting.nsdl.com/>
- The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9:00 a.m. (IST), September 26, 2025 (Friday)
End of remote e-voting	Up to 5:00 p.m. (IST), September 29, 2025 (Monday)

The e-voting module shall be disabled by NSDL for voting thereafter. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being, September 23, 2025.

- Detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC facility at the AGM, is given below:

How do I vote electronically using NSDL e-Voting system?

The procedure to vote electronically on NSDL e-Voting system consists of "Two Steps" which are outlined below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholder	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholder	Login Method
	<p>3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login of Easi/Easiest the user will be also able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk details for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL are as below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911

B) Login method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to log-in to NSDL e-Voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "**Login**" which is available under '**Shareholder/Member**' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. 'Cast your vote electronically'.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 135419 then user ID is **

5. Password details for shareholders other than individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, **please follow steps mentioned below which outlines the process for those shareholders whose email id is not registered.**
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password" (If you are holding shares in your demat account with NSDL or CDSL)** option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password" (If you are holding shares in physical mode)** option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on **Agree to "Terms and Conditions"** by selecting on the check box.
 8. Now, you will have to click on **"Login"** button.
 9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL's e-voting system and join General Meeting on NSDL e-Voting system**
- How to cast your vote electronically on NSDL's e-voting system and join General Meeting on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle is in active status.
 2. Select **"EVEN"** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
 3. Now you are ready for e-voting as the voting page opens
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **"Submit"** and also **"Confirm"** when prompted.
 5. Upon confirmation, the message **"Vote cast successfully"** will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scan copy (PDF/ JPG format) of the relevant Board Resolution/ Authority letter etc. authorising their representative(s) to vote, to the Scrutinizer by e-mail to cs@pjco.info with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled after five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available in the download section of www.evoting.nsdl.com or call on no.: 022 – 4886 7000 or send a request to Ms. Pallavi Mahtre, Senior Manager (NSDL) at evoting@nsdl.com

Process for those shareholders whose e-mail id is not registered with the depositories to procure user id and password and registration of e-mail id for e-voting for the resolutions set out in this notice

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to rta@alankit.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account Statement, PAN (self-attested scan copy of PAN card), Aadhar (self-attested scan copy of Aadhar Card) to rta@alankit.com. If you are an individual shareholder holding securities in demat mode, please refer to the login method

explained at Step 1 (A) i.e. Login method for e-Voting for individual shareholders holding securities in demat mode.

3. Alternatively, shareholder may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed

under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

About us

Strengthening the nation's security

We were established in 1973 as a Government of India Undertaking under the administrative control of the Ministry of Defence. As a metallurgical Company, we are committed to serving the nation's critical sectors, including Defence, Space, Aeronautics and Energy, with high-performance alloys and advanced materials.

From our inception, our vision has been to facilitate self-reliance in the production and supply of critical materials required strategic sectors of our country. Our manufacturing unit, located at Kanchanbagh, Hyderabad, has emerged as a recognized centre for advanced metallurgical manufacturing.

Today, we hold the distinction of being the leading manufacturer of Titanium alloys in India. Our products are designed to meet the most stringent

performance requirements and cater to diverse industries. Many of our alloys act as import substitutes, underscoring our pivotal role in ensuring the continuity of critical national missions.

Backed by over five decades of experience, we continue to innovate, expand and upgrade. Our integrated infrastructure, process capabilities and a strong focus on R&D have enabled us to build trust and emerge as a reliable partner in the nation's growth journey.



Our mission

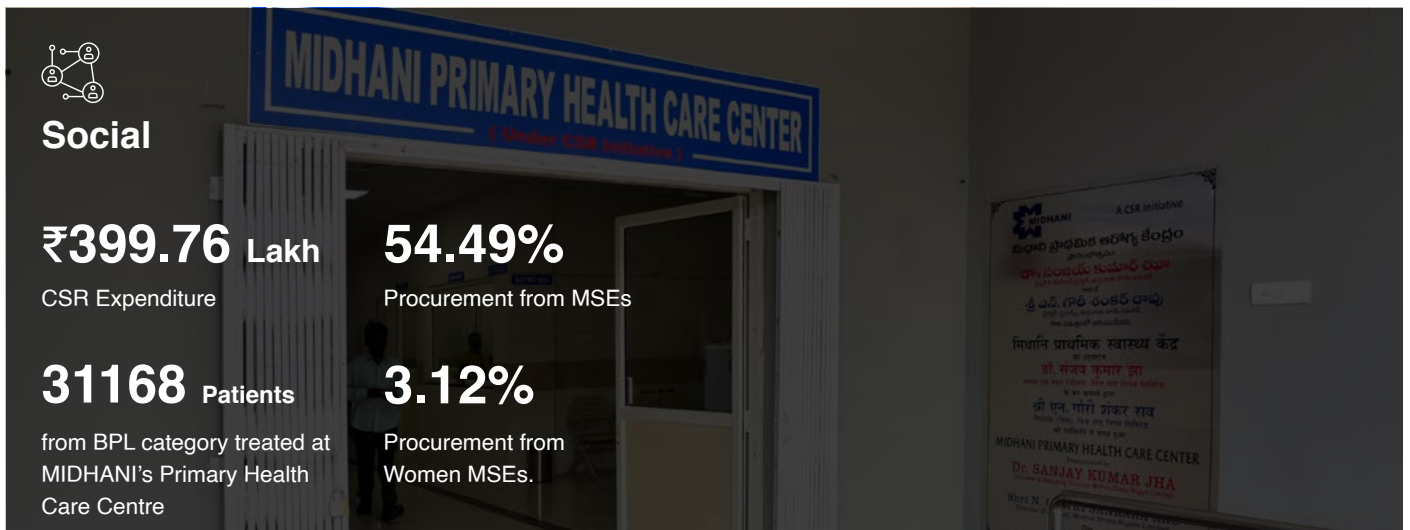
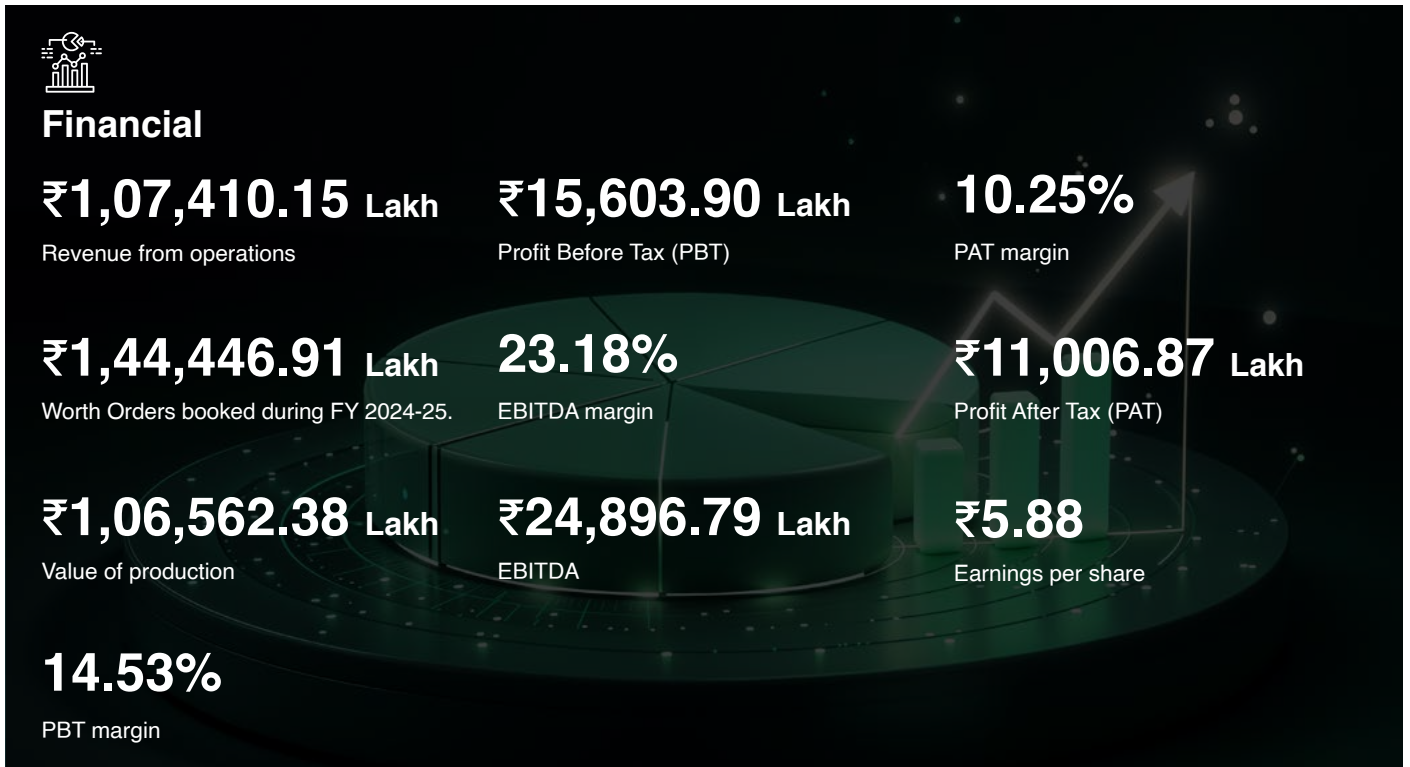
To achieve Self-Reliance in the research, development, manufacture and supply of critical alloys and products of National Security and Strategic Importance.





Key highlights (FY 2024-25)

Delivering excellence across frontiers





Environment

66,34,256 MJ **49.81 Cr. MJ**

Energy Consumed from Renewable Sources.

Total Energy consumption

109 MT

Waste responsibly disposed

0.046 (MJ/₹)

Energy intensity per rupee of turnover



Governance

3* **97.91%**

Independent Directors on the Board

Average attendance in Board Meetings

100%

Score under DPE Guidelines on Corporate Governance

*Details as on August 13, 2025

Geographic footprint

Expanding our reach beyond borders





Rohtak unit

We have established a dedicated armouring facility at IMT Rohtak to address the evolving operational needs of the Defence Forces, Central Armed Police Forces and other security agencies. This unit focuses on the production of personal and group protection equipment, utilising high-performance materials and modern manufacturing technologies to ensure reliability and safety.



Hyderabad unit

Our Hyderabad plant is equipped with advanced, manufacturing facilities, capable of producing a diverse range of special metals and alloys. This includes forged bars and flats, rings, near-net shapes, closed die forgings, hot rolled bars and sheets, cold rolled sheets, strips and foils, wires, castings, tubes and fasteners.

Chairman's message



MIDHANI delivered a robust financial performance in FY 2024–25, registering its highest-ever annual revenue of 1,07,410.15 lakh, marginally above the previous year's 1,07,267.45 lakh. While top-line growth remained modest at 0.13%, it reflected a transition towards a higher-value product mix, including superalloys and Titanium-based components. 



Dr. S. V. S. Narayana Murty
Chairman and Managing Director



Dear Shareholders,

It gives me immense pride and satisfaction to address you at the closure of another successful fiscal year. FY 2024-25 brought with it a series of strategic accomplishments that strengthened our leadership in advanced materials and reaffirmed the trust placed on us by our stakeholders.

The macroeconomic landscape in FY 2024–25 was shaped by a complex interplay of geopolitical tensions, shifting trade dynamics and fluctuating commodity prices. These developments have disrupted conventional supply chains and brought renewed urgency to conversations around strategic autonomy and national security. In this context, India's assertive pursuit of self-reliance through the Atmanirbhar Bharat initiative, complemented by augmented outlays for defence and aerospace has provided fresh impetus to the domestic industry. The Government's emphasis on indigenisation and critical material independence is directly aligned with MIDHANI's core competencies.

Amid these global realignments, MIDHANI stands at a strategic inflection

point. We are uniquely positioned to leverage our legacy, capabilities and credibility in field of advanced materials and the strategic materials space. As international Original Equipment Manufacturers (OEMs) seek dependable, non-sanctioned partners for critical alloys, our indigenously developed portfolio, quality-conscious culture and consistent delivery record position us as a partner of choice. The near threefold surge in our exports during FY 2024–25 is a testament to our rising global stature. We are actively securing critical certifications and building alliances that will further integrate MIDHANI into global aerospace and defence supply chains. With expanded manufacturing capacity particularly in Titanium alloys and sustained investments in R&D and process innovation, we are steadily transitioning from a national enabler to a global relevant force in the high-performance materials landscape.

Financial Overview

MIDHANI delivered a robust financial performance in FY 2024–25, registering its highest-ever annual revenue of ₹1,07,410.15 lakh, marginally above the previous year's ₹1,07,267.45 lakh. While top-line growth remained modest at 0.13%, it reflected a transition towards a higher-value product mix, including superalloys and Titanium-based components. This shift, amid heightened raw material volatility and global supply chain headwinds, necessitated careful operational balancing. Despite these challenges, our profitability metrics showcased marked improvements. EBITDA increased by 11.10% to ₹24,896.79 Lakh and Profit Before Tax (PBT) rose by 19.15% to ₹15,603.09 Lakh. Profit After Tax (PAT) reached ₹11,006.87 Lakh, marking a 20.61% year-on-year growth. These

gains were driven by disciplined cost control, reduction in raw material cost and enhanced internal efficiencies. Inventory levels were brought down by ₹850 Lakh, reversing the trend of rising inventory and improving working capital and liquidity positions. Together, these initiatives contributed to a 24% growth in operating profit, reflecting MIDHANI's emphasis on sustainable margins and financial prudence.

Capital expenditure during the year stood at ₹5,000 lakh. This was directed towards modernising infrastructure and commissioning critical capacity additions. A major highlight was the operationalisation of our new Titanium facility, with a production capacity of 250–300 tonnes per month. The facility is aimed at servicing growing aerospace, defence and export demands. Exports emerged as a significant growth driver, reaching ₹9,419.32 Lakh, nearly 42.21% more than the previous year and comprising entirely of direct exports. This achievement reflects MIDHANI's growing competitiveness in global markets and its deepening engagement with international OEMs. To support long-term financial strength, ₹8,100 lakh was transferred to General Reserves.

Although a final dividend was not proposed, an interim dividend of ₹0.75 per share (7.5%) was declared and paid in March 2025. With a strong open order book of ₹1,83,200 lakh as of August 1, 2025, MIDHANI steps into the new fiscal with strong visibility and a clear path towards its ambition of sustaining 20% annual revenue growth, anchored in strategic execution and growing global relevance.

Advancing Capabilities, Broadening Impact

During FY 2024–25, we made decisive strides to elevate our technological

capabilities and strategic presence within the industry. Upgrades to vital production and finishing infrastructure has equipped us to meet the increasing complexity of defence and aerospace specifications. Notably, we developed new alloy systems such as Superni 41 and Indian High Temperature Alloy (IHTA), which were recognised at Aero India 2025 by the Hon'ble Raksha Mantri, an affirmation of our continued efforts in materials innovation. We also spearheaded the establishment of the Advanced Materials (Defence) Testing Foundation, a joint venture under the Defence Testing Infrastructure Scheme of Government of India. This will serve as a dedicated platform for the validation and testing of strategic materials in the years to come.

Our focus on process efficiency and input localisation yielded measurable outcomes during the course of the year. By indigenising key master alloys and expanding our ability to recover and reuse scrap, we constrained costs and reduced exposure to supply risks. These undertakings enabled heightened operational flexibility in the face of raw material disruptions, while also lowering our environmental footprint. By channelling investments in equipment and quality systems, we have optimised our readiness to meet the evolving specifications of both domestic and global clientele. We are stepping into the new fiscal with sharper capabilities across the value chain.

Upholding Governance Excellence

During the year, we implemented a series of steps to enhance our governance architecture to reflect revised regulatory norms and broader institutional expectations. Board and Committee oversight was enhanced



We developed new alloy systems such as Superni 41 and Indian High Temperature Alloy (IHTA), which were recognised at Aero India 2025 by the Hon'ble Raksha Mantri, an affirmation of our continued efforts in materials innovation. We also spearheaded the establishment of the Advanced Materials (Defence) Testing Foundation, a joint venture under the Defence Testing Infrastructure Scheme of Government of India.

through more structured agenda planning and a sharper focus on key areas, such as risk, audit and sustainability. Governance workflows were further streamlined through digital integration of compliance tracking and internal documentation, enabling greater process transparency and accelerated decision-making across the organisation.

We remained fully compliant with the applicable provisions under

the Companies Act, SEBI Listing Regulations and DPE Guidelines, while sustaining regular engagement with oversight bodies such as the Comptroller and Auditor General of India. Our disclosure practices, investor communications and grievance handling systems are reviewed and improved to ensure relevance and timeliness. Over the year, we also undertook a comprehensive review of our risk governance framework to incorporate emerging vulnerabilities. As MIDHANI's operational footprint extends across geographies and sectors, our governance systems will continue to adapt, ensuring continued accountability, institutional coherence and ethical stewardship.

We are happy to report that, your Company scored 100% as per the revised grading norms for CPSEs, conducted by the DPE on compliance of guidelines on Corporate Governance. A Report on Corporate Governance and certificate on Corporate Governance issued by Practicing Company Secretary forms part of this Annual Report.

Driving Sustainability with Purpose

Sustainability remains integral to how we operate, innovate and grow at MIDHANI. As the developer of critical materials for national defence and strategic sectors, we understand that our obligations extend beyond commercial outcomes to long-term environmental and societal impact. In FY 2024–25, we made conscious efforts to reduce material intensity, minimise waste and enhance resource efficiency across our value chain. These included greater utilisation of scrap material, improved inventory planning and a measurable reduction in raw material consumption, all of which contributed to a lower environmental

footprint. We also made headway in indigenising critical alloying elements and reducing reliance on imported inputs. Our undertakings were in step with both our sustainability objectives and the broader national agenda of self-reliance.

Our approach to sustainability also encompasses our commitment to people and communities. We continued to invest in skill development, safety practices and inclusive workplace culture, while ensuring that our progress remains both equitable and responsible. Through our CSR initiatives, we supported interventions in healthcare, education, sanitation and community infrastructure priorities that are closely aligned with local requirements and national development imperatives. Operationally, we are advancing our systems to monitor energy and water consumption, improve emissions tracking and embed ESG considerations into core decision-making. As we grow in scale and complexity, we are weaving sustainability more intricately into our business strategy, ensuring that every milestone is also a step forward towards a more resilient, inclusive and responsible future.

Charting Our Journey Ahead

As we chart our course into the next phase of growth, our strategic focus will be on scaling both capability and capacity to address the accelerating demand for advanced materials in India and beyond. The evolving strategic landscape defined by national defence imperatives, energy transition and global supply realignments, presents significant opportunities for MIDHANI to further entrench its position as a key enabler of self-reliance and technological distinction. With an upgraded manufacturing infrastructure,

expanding export linkages and a robust order pipeline, we are well positioned to capture value across a wider spectrum of end-use sectors. Going forward, we aim to strengthen our relationships with global OEMs, pursue certifications that facilitate market entry and expand our presence in high-potential areas, such as aerospace, critical energy systems and specialised industrial applications.

Advancing alloy innovation, improving throughput across plants and embedding global best practices in quality, Environmental, Social and Governance



Advancing alloy innovation, improving throughput across plants and embedding global best practices in quality, Environmental, Social and Governance (ESG) and risk frameworks will remain core to our agenda. At the same time, we are exploring long-term strategic avenues of investments that will secure future competitiveness, both in terms of raw material access and product diversification. 

(ESG) and risk frameworks will remain core to our agenda. At the same time, we are exploring long-term strategic avenues of investments that will secure future competitiveness, both in terms of raw material access and product diversification. The journey ahead is one of transformation, built on the strong base we have forged over decades. Backed by a culture of innovation, executional excellence and national alignment, we believe MIDHANI will continue to stand as the most trusted and forward-looking force in the Indian and global advanced materials ecosystem.

On behalf of the leadership team, I extend my sincere gratitude to the Government of India, our Board of Directors, customers, employees and partners whose continued trust and support has afforded us the ability to deliver responsibly and grow sustainably. As we step into the future, we do so with deep alignment to national priorities and a resolute focus on delivering value through innovation, operational discipline and strategic foresight.

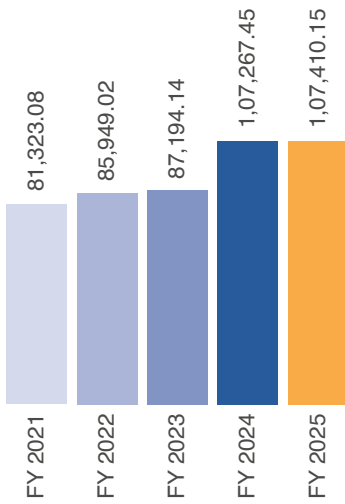
Warm regards,

Dr. S. V. S. Narayana Murty
Chairman and Managing Director

Financial performance

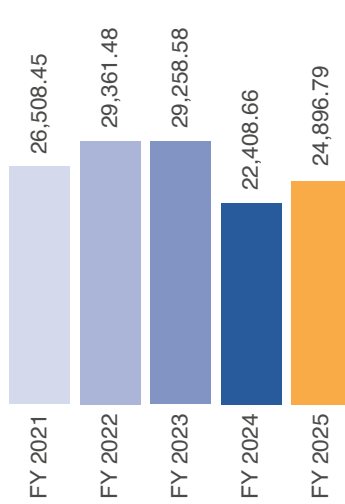
Revenue from operations **0.13%**
↑ YoY

(₹ Lakh)



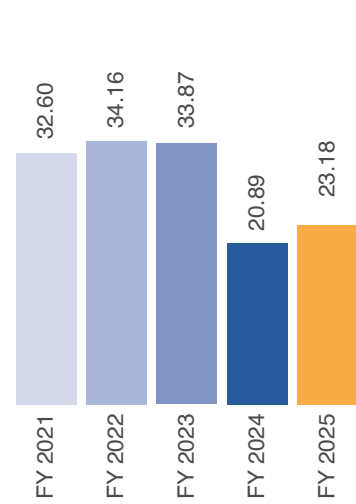
EBITDA **11.10%**
↑ YoY

(₹ Lakh)



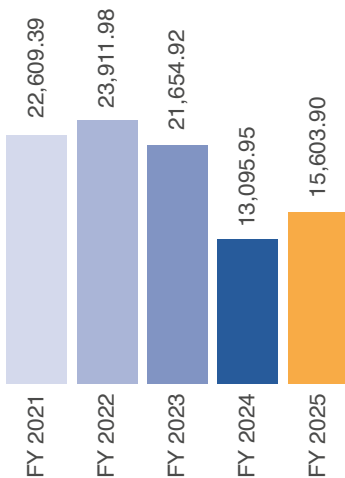
EBITDA margin **10.96%**
↑ YoY

(%)



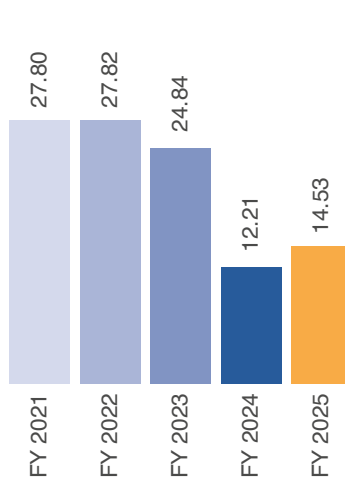
Profit Before Tax (PBT) **19.15%**
↑ YoY

(₹ Lakh)



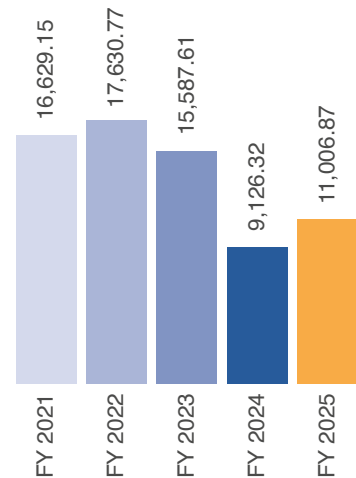
PBT margin **19.00%**
↑ YoY

(%)

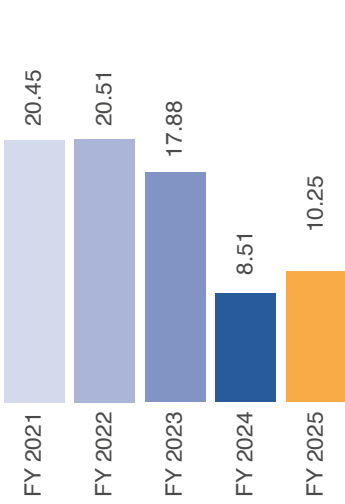


Profit After Tax (PAT) **20.61%**
↑ YoY

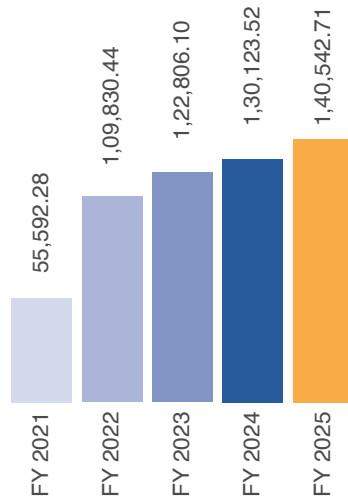
(₹ Lakh)



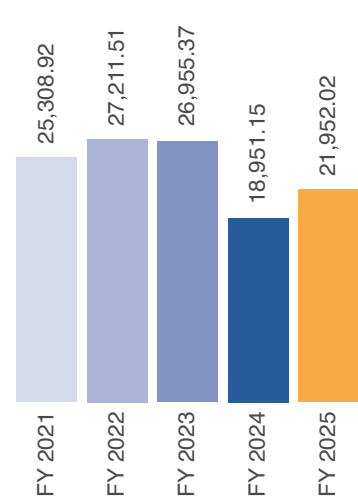
PAT margin **20.44%**
 ↑ YoY
 (%)



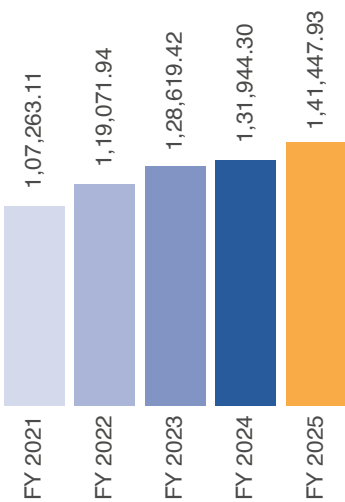
Gross Block **8%**
 ↑ YoY
 (₹ Lakh)



Cash Profit **15.83%**
 ↑ YoY
 (₹ Lakh)



Net Worth **7.20%**
 ↑ YoY
 (₹ Lakh)





With our products serving as crucial import substitutes, we cater to a range of industries by delivering solutions that meet the most stringent performance requirements.

Our advanced manufacturing capabilities-underpinned by a robust R&D team-enable us to set the benchmark. Backed by a result driven workforce, we handle every challenge with confidence, empowering defence with innovation and excellence.

The background is a dark, industrial setting with a glowing yellow object in the center. The object appears to be a large, curved metal part, possibly a turbine component, with a bright yellow glow emanating from its center. The background is filled with industrial structures, pipes, and scaffolding, creating a sense of a manufacturing or engineering environment. The overall color palette is dark with a strong yellow highlight.

₹46,700 Lakh

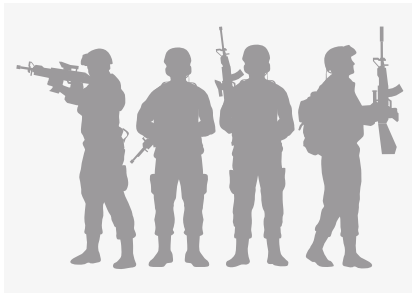
Turnover in last five years from new products developed

₹1,83,200 Lakh

Open orders as on April 1, 2025

Industries we serve

Catering to the Defence needs of India



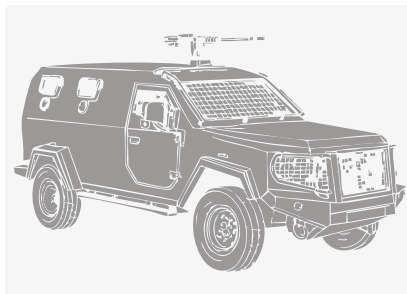
Defence



Aeronautical



Energy



Armouring

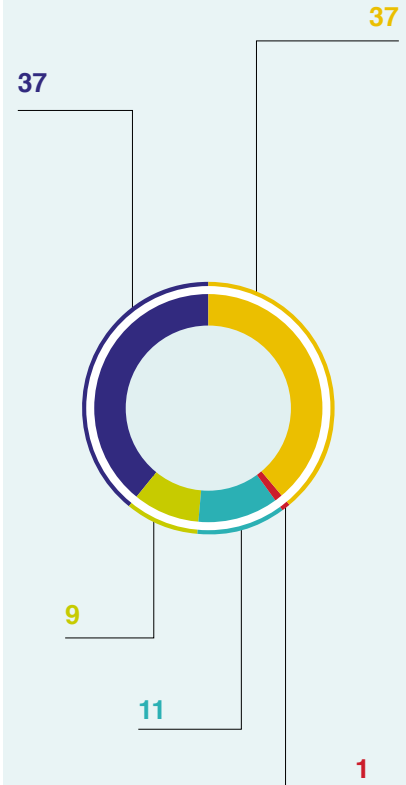


Space

Sector wise revenue contribution

Revenue contribution

(%)



● Defence

● Energy

● Space

● Exports

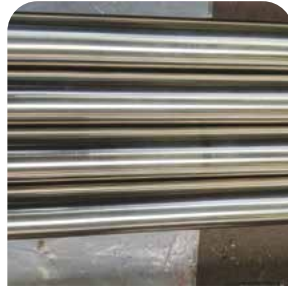
● PSU's

Our offerings

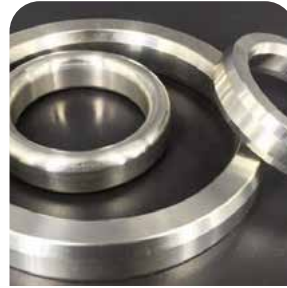
Contributing to building Atmanirbhar Bharat



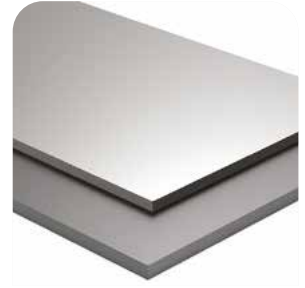
INGOTS



FORGED BARS



RINGS



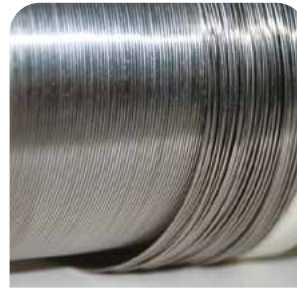
HOT ROLLED PLATES



COLD ROLLED SHEETS



HOT ROLLED BARS



COLD DRAWN WIRES



TITANIUM CASTINGS



BIO-IMPLANTS



FASTENERS



Supplied Titanium Windows - one of the kind in Country for Shri Ram Mandir, Ayodhya.

GSLV-F16 / NISAR MISSION



Ti Alloys Products
(Rings & Bars)

GSLV-F16 Mission is the first mission with GSLV to Sun Synchronous Polar Orbit.

We take immense pride in our contribution through the supply of specialised Metals and Alloys for this remarkable endeavour.

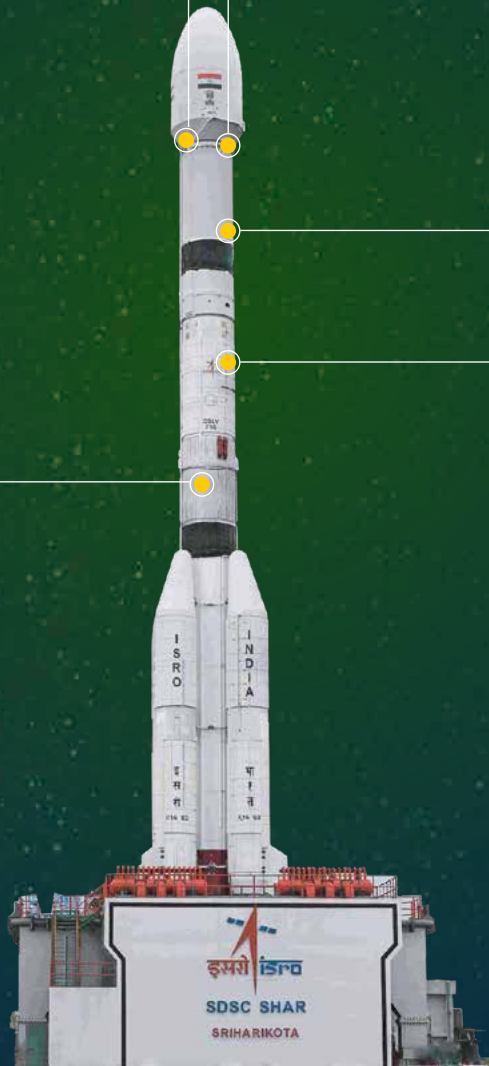
Ti-6Al-4V
tanks (Ps4)

C-103
Alloy thrust
chamber (Ps4)

PS1 motor case
- M250 Steel

Ti-6Al-4V
Gas bottles

Superco 605
thrust chamber (Ps2)



Operational excellence

Strengthening capabilities

Our legacy has been shaped through indigenisation, process efficiency, quality enhancement and digital transformation. By embracing an integrated approach, we successfully address the evolving requirements of varied sectors and establish the foundation for sustained future growth.

Product innovation and indigenisation

During the year, we recorded breakthroughs in the development of high-performance materials for aerospace, defence and energy applications—advancements that helped in reducing import dependency as well as enabled us to contribute to crucial national programmes. Our in-house simulations and advanced process controls allowed us to develop and supply new grades of nickel-based superalloys that meet stringent temperature and mechanical requirements.

3

Cast Ni-based superalloys developed for aerospace

2

Indigenous alloys (Superni 41 and IHTA) recognised at Aero India 2025

Strong order inflow and market expansion

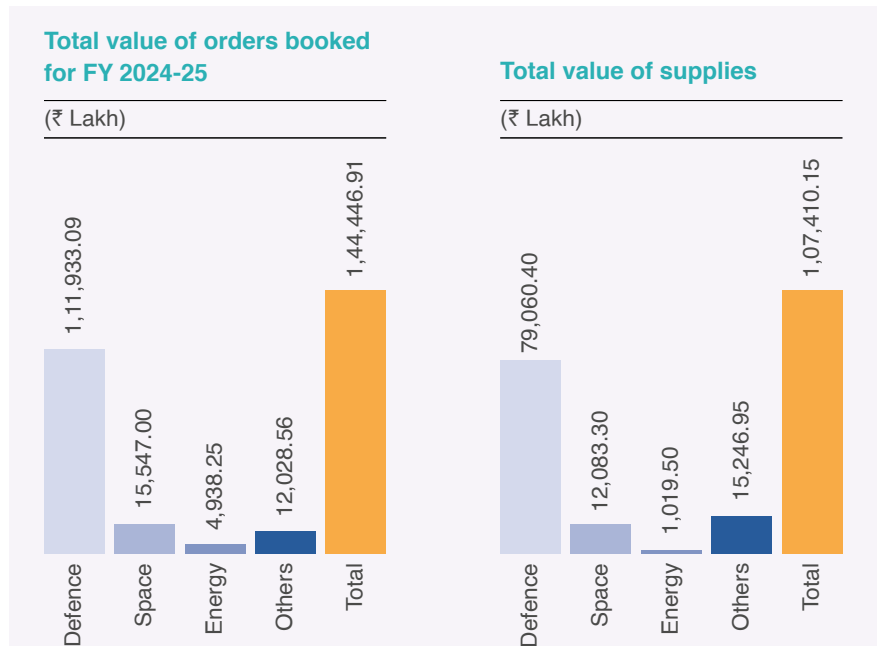
Our business gained significant momentum during the year, powered by order inflows, particularly from the defence sector. We secured orders across key verticals and expanded our global footprint in response to growing export demand. Better engagement with customers, sector-specific targeting and strategic investments in high-end capabilities have positioned us securely for sustained growth.

₹9,419.32 Lakh

Exports during FY 2024-25.

42.21%

Growth in export sales over the previous year



Diversification and capacity expansion

We made strides in expanding our customer base and diversifying our product portfolio. As a result of these efforts, we are fortifying our position in the market and broadening our reach. To address future demand, particularly in Superalloys and Titanium alloys, we are investing in advanced technologies such as Vacuum Induction Melting and Vacuum Arc Remelting.

10

New customers added during the year

25+

New grades developed for strategic applications

Digital transformation and IT infrastructure

In an era marked by digital transformation, we have boosted our efficiency through the digitalisation of our operations and improved visibility across the value chain. Our ERP systems have been upgraded with custom dashboards and analytics tools to track production, quality, procurement and resource utilisation in real-time. Additionally, we have introduced digital applications to streamline quality certification, vendor management and asset maintenance.

Quality Testing App

Developed using Oracle Apex

ERP dashboards

Enabled for sales, yield, and machine utilisation

Cybersecurity and data protection

With the increasing sophistication of internet-enabled crimes and cyber intrusions, safeguarding our digital infrastructure necessitates robust cybersecurity measures. We have implemented secure operating systems, traceable network infrastructure and have successfully completed audits to ensure compliance with national security protocols. These proactive steps protect our expanding IT ecosystem against evolving cyber threats.

Maya OS & Chakravyuh

Deployed for cybersecurity enhancement

CSG-DDP audit

Successfully completed



Quality enhancement and testing upgrades

We have upgraded our quality assurance systems by integrating high-end testing equipment to meet complex mechanical and metallurgical assessment requirements. By low cycle fatigue testing, tensile testing, hardness evaluation and spectrometric analysis at both ambient and elevated temperatures, we ensure we deliver materials that uphold our commitment to quality and precision.

50,000+

Samples tested

**ISO/IEC
17025:2017**

Certified



AS9100:2016

Certified



ISO 9001:2015

Certified



AFQMS Issue-II

Certified



At Quality Concepts conference, organized by the Quality Circle Forum of India, Hyderabad Chapter in September 2024, MIDHANI was honored with four Gold Awards for exceptional commitment to quality, innovation and continuous improvement in projects.

Research and development

Advancing innovation to set new benchmarks

Our R&D team is instrumental in advancing technological research and developing new products. By refining existing technologies, enhancing metallurgical processes and integrating cutting-edge tools, we have expanded our capabilities to design, test and deliver solutions across varied industries. This strategic focus aligns with India's broader goal of self-reliance and to emerge as a hub for specialised metallurgical innovation.

₹2,417.61 Lakh

R&D Expenditure for FY 2024-25

15.42%

R&D Expenditure as
% of PBT.



Indigenous product developments

We have successfully developed and supplied several advanced materials during the year, addressing critical requirements and contributing to the nation's growth story.

- Development and supply of three grades of cast Ni-based superalloys for aero-engine application.
- SN90A products for aeronautical applications
- Various Ni-based cast alloys for aeronautical applications.
- Development of Indian High Temperature Alloy (IHTA) Forged Billets.
- Development of SNI 41 hot rolled plates.
- Established thermo-mechanical processing parameters and supply of Titan31A 500mm and 420mm Dia bars for Aerospace applications.
- Successfully qualified the indigenized Al-V, Al-Mo-Ti master alloys for melting of Titan31A and BT3-1 respectively.
- Established process parameters for WPM products of Titan32, PT3B and Titan31.
- Successfully completed the type testing of BT1-0 CR Sheets, PT1-M seamless pipes, PT3B plates, sheets, fasteners, forged and HR bars for naval applications.
- Established the thermo-mechanical processing parameters for BT20 Ring products.



Process improvement

We optimised metallurgical processes through thermodynamic modelling, simulation-based planning and precise control over mechanical properties. This approach enabled us to achieve defect-free production on the first attempt for several complex alloys. Innovations in melting, forging and hot rolling techniques have helped in reduce material rejection and improve microstructural consistency, thereby strengthening our overall process reliability and product performance.

Artificial Intelligence (AI)

AI-driven simulations and predictive analytics are utilised for real-time monitoring of key parameters such as arc stability, melt rate and surface quality during melting operations. These tools enable us to accelerate process development cycles, ensure product consistency and enhance decision-making across R&D and production functions.

Our people

Cultivating a workforce built for the future

We believe that a motivated and engaged workforce drives an organisation to heights of success. Therefore, we focus on implementing targeted initiatives aimed at cultivating a workplace that is future-ready, agile and result-driven. Through a comprehensive human resource development strategy, we prioritise building competencies, promoting leadership and empowering our employees to grow with the organisation.

786

Total employees (permanent)

₹135.58 Lakh

Productivity per employee



Safety and well-being

We are dedicated to fostering a safe, healthy and supportive working environment for all employees. Every employee is covered under health and accident insurance, with additional support through maternity and paternity benefits and on-site daycare services. Regular awareness programmes on industrial safety and occupational health are conducted to ensure compliance and promote a culture of vigilance.



100%

Employees covered under MIDHANI's Medical Scheme and Family Benefit Scheme

Training and development

We are committed to developing the technical and behavioural competencies of our people through structured training and development programmes. During the year, we conducted a diverse mix of internal and external programmes, plant visits, knowledge transfer sessions and skill-building workshops. These initiatives, with a focus on emerging technologies and cross-functional expertise, boosted workforce productivity.



2,953

Person-days of training provided

531

Person-days of specialised skill development and motivational workshops

Inclusive and empowering culture

We promote equal opportunities for all employees and adhere to the DPE guidelines for SC, ST and OBC categories and individuals with disabilities. A range of welfare initiatives supports employee well-being, including post-retirement medical benefits to merit-based scholarships for employees' children. Additionally, we maintain a fully equipped township offering high-quality residential and educational infrastructure for employees and their families.



100%

Full-time employees were paid more than minimum wages

87

Residential quarters maintained in the MIDHANI Township

Women empowerment

We foster a holistic environment where our women employees can thrive. With 80 women in both executive and non-executive roles, they contribute significantly to our operations and growth. We support their development through targeted training programmes and celebrate their contributions.



80

Women employees across executive and non-executive roles

Environment

Growing in harmony with nature

We remain firmly committed to environmental stewardship and sustainable industrial practices, ensuring that our progress does not come at the expense of the planet. By conserving natural resources, improving energy efficiency and minimising our environmental footprint through structured action plans, we have embraced a path of responsible and sustainable growth. Our focused efforts have enabled us to optimise energy usage, enhance clean energy adoption and maintain ecological balance across our operational areas.



18,42,848 kWh

Renewable Energy Consumed

Energy efficiency

We introduced a range of initiatives to enhance energy efficiency and reduce operational energy costs. These included optimising heat treatment processes, improving equipment utilisation and planning furnace operations to maximise thermal efficiency. In a significant step towards clean energy adoption, we signed a power purchase agreement to procure clean solar energy at a competitive rate, thereby reducing reliance on conventional power sources. Further, we undertook measures to improve our power factor through the proposed installation of an advanced correction system. Additionally, we continued to replace conventional lighting and appliances with energy-efficient alternatives and expanded the use of electric mobility solutions across our operations.

66,34,256 (MJ)

Energy consumed through renewable sources

1 MWp

Solar rooftop PPA signed under RESCO model

The summary of consumption of LPG

Annual consumption of LPG

MT



Specific consumption of LPG in Production

MT (LPG)/ MT (Prod.)



The summary of consumption of electricity

Annual consumption of Electricity

KWHr (in Crore)



Specific consumption of Electricity in Production

Kwh/T



Environmental conservation

We have maintained a consistent focus on preserving biodiversity and enhancing green cover across our premises. Owing to the dedicated efforts of our team, over half of our total land remains under vegetation, contributing to the development of self-sustaining ecosystem. Our campus is home to a diverse range of wildlife species, standing as a testament to the coexistence of industry and nature.

50% +

Land area maintained under green cover

Tree plantation drive

Our large-scale plantation drives were fuelled by active collaboration with government agencies and enthusiastic participation from our workforce. As part of the 'Ek Ped Maa Ke Naam' campaign, we significantly expanded green cover across our plant, corporate office, and township areas. Our focus extended beyond merely planting saplings; we also ensured their long-term survival through careful monitoring and maintenance, thereby creating a thriving natural environment.

12,144 plants

Plantation during FY 2024-25

Social

Inspiring growth through social responsibility

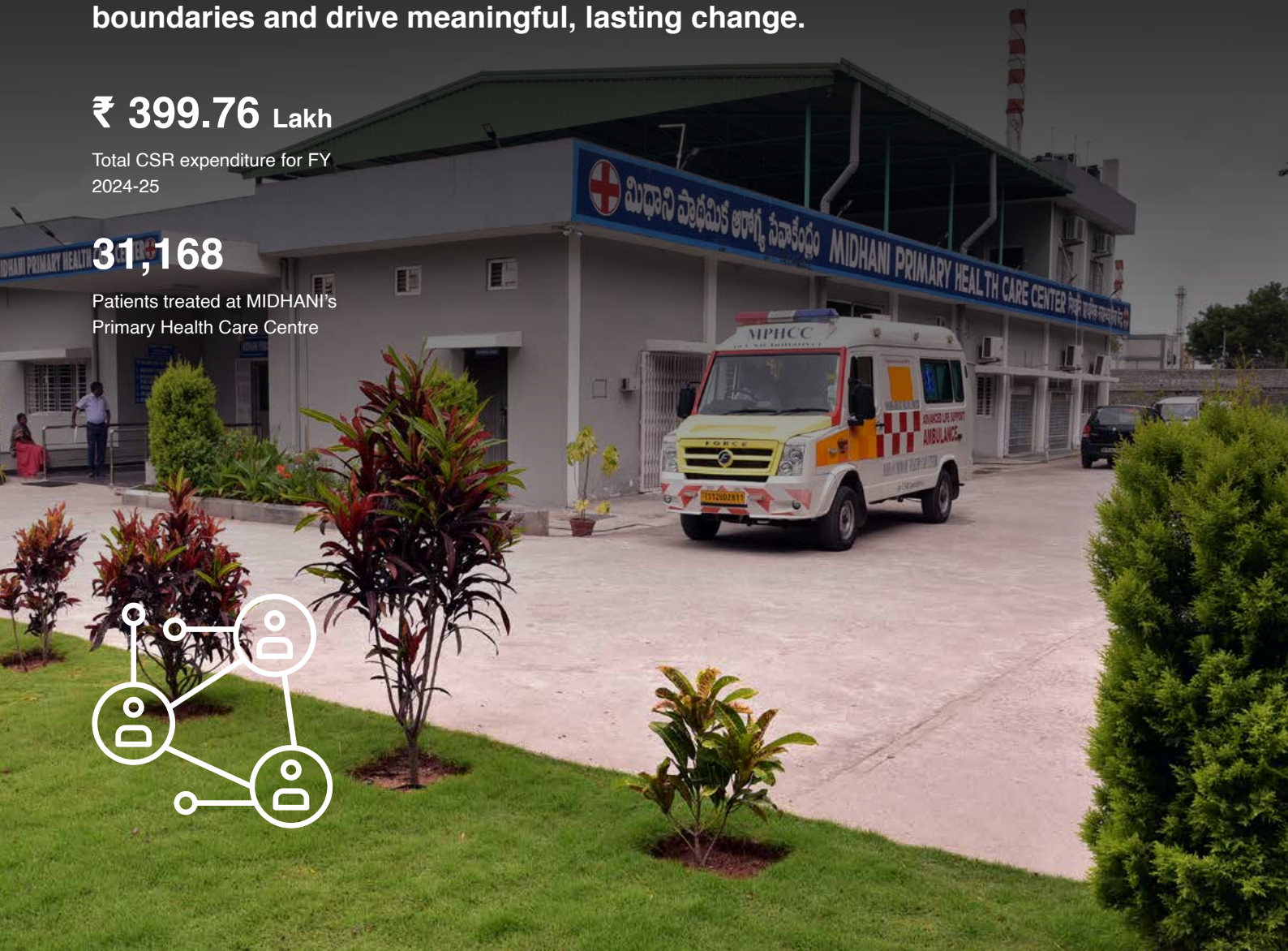
We have always believed that the true measure of success lies in growing together. Our well-executed CSR initiatives, encompassing access to basic education, infrastructure development in government schools, provision of sanitation facilities, skill development programmes, support for mid-day meals and improved healthcare services, are designed to enhance the quality of life for underserved communities. The impact achieved through these programmes continues to inspire us to push boundaries and drive meaningful, lasting change.

₹ 399.76 Lakh

Total CSR expenditure for FY 2024-25

31,168

Patients treated at MIDHANI's Primary Health Care Centre



Promotion of health care and sanitation

We undertook a series of impactful healthcare initiatives aimed at enhancing public health outcomes and improving access to medical facilities. Our efforts supported both preventive and curative healthcare services, while strengthening health infrastructure in underserved regions. In collaboration with community organisations and health trusts, we facilitated medical awareness campaigns,

provided diagnostic equipment and ensured timely access to treatment for high-risk groups. Additionally, we contributed to infrastructure development in rural healthcare centres and supported health-focused campaigns, including the provision of mobility aids for people with disabilities. Our commitment to sanitation also continued through the maintenance of previously established hygiene facilities.

₹122.33 Lakh

Support to MIDHANI Primary Health Care Centre and public health services



Employees actively participating in Yoga day.

Promotion of education

We supported inclusive education by offering continued academic assistance to children from economically disadvantaged backgrounds. Our initiatives focused on ensuring equal access to quality learning, both through direct financial support to students and the development of institutional infrastructure.



The educational facility at Sri Saraswathy Sisu Mandir, Kakinada was enhanced by MIDHANI.

We funded the installation of digital classrooms and clean energy solutions to cultivate a holistic learning environment in remote and semi-urban schools. Additionally, we extended support to educational trusts for facility development.

46

Children received full education support from SC/ST/OBC categories



Skill development

We believe that equipping individuals with market-relevant skills is essential for building self-reliant communities. Through our apprenticeship and vocational training programmes, we have worked to bridge the gap between education and employment. We also support community-based institutions focused on rural development, healthcare and education, ensuring access to resources and training required for individuals to thrive

in a modern economy. These initiatives empower youth and contribute to the development of resilient communities with sustainable, long-term capabilities.

₹ 39.02 Lakh

CSR allocation towards apprentice stipends

Governance

Building a legacy rooted in ethical values

Our commitment to transparency, accountability and ethical conduct is central to our journey. As a responsible organisation, we keep integrity at the core of our operations, leading by example and fostering trust among stakeholders. Acknowledging the evolving landscape of regulatory compliance, we continuously update our policies to remain aligned with market standards. Our approach is guided by the SEBI Listing Regulations and the principles laid down by the Department of Public Enterprises. With a capable leadership at the helm of the organisation, we remain steadfast in upholding responsible business practices and the highest standards of corporate ethics.



Corporate governance

We achieved a 100% compliance score in corporate governance during the reporting period, in line with the revised grading norms for central public sector enterprises. The governance structure is designed to promote long-term stakeholder value through fair and effective oversight mechanisms. We regularly review and refine our practices to ensure continued alignment with evolving requirements.

Board of directors

During the year, our Board underwent transitions while maintaining continuity. At the beginning of the year, the Board consisted of six members, including functional, government nominee and independent directors. Since, inclusion of three independent directors who brought valuable experience and external insights to the table. All appointments and reappointments were made in accordance with government directives and remain subject to shareholder approval.



Board committees

We have the following active Board-level committees

Audit Committee

Stakeholders
Relationship Committee

Procurement Committee

Risk Management Committee

Corporate Social Responsibility and
Sustainable Development Committee

Share Certificate Committee

Nomination and
Remuneration Committee

Board of Directors



Dr. S. V. S. Narayana Murty
Chairman and Managing Director
(w.e.f. April 28, 2025)



Shri Amit Satija
Govt. Nominee Director
w.e.f. December 10, 2024



Smt. Madhubala Kalluri
Director (Finance & CFO)
(w.e.f. July 21, 2025)



Smt V. T. Rema
(Non-Executive – Independent Director)
(w.e.f. April 18, 2025)



Ms. Aruna Sarap
Independent Directors
(w.e.f. April 18, 2025)



Mr. Ajay Kumar Chauhan
Independent Directors
(w.e.f. April 18, 2025)



Shri Shalabh Tyagi
Government Nominee Director
(Till December 9, 2024)



Shri Valluri Chakrapani
(Non-Executive – Independent Director)
(Till December 23, 2024)



Shri Gowri Sankara Rao Naramsetti
Director (Finance) and CFO
(Till May 31, 2025)



Shri T. Muthukumar
Director (Production & Marketing)
(Till June 30, 2025)

Chief Vigilance Officer



Ms. Spurthi Reddy
IRS (Customs and Indirect Taxes)

Key Managerial Personnel



Shri Paul Antony
Company Secretary & Compliance Officer

Senior Management



Shri Arun Kumar Sharma
GM (Marketing)



Shri Anand Kumar Kaluvala
GM (P-II & IV)



Shri P. Babu
GM (Technical Services)



Shri S K Dwivedi
GM (P-III)



Shri A. Ravichandran
GM - Quality Management
(w.e.f. July 1, 2025)



Shri V. Rathod
GM (ES, MRSS & Utilities)
(w.e.f. July 1, 2025)



Shri A. Ramakrishna Rao
GM (Human Resources)
(Till March 31, 2025)



Shri Sasidharan Palasseri
GM (Engineering Services)
(Till May 31, 2025.)

10 years at a glance

A decade of Value Creation & Transformation

(₹ in Lakh unless stated otherwise)

ITEM	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Sales (Value)	65,570.07	76,144.87	80,970.77	66,607.87	71,084.62	71,287.57	81,323.08	85,949.02	87,194.14	107,267.45	107,410.15
Value of Production	64,004.42	67,853.65	69,564.01	69,767.72	81,483.22	97,010.91	77,164.22	98,872.75	110,026.63	114,764.49	106,562.38
Cash Profit/Loss (-)	14,830.16	17,591.00	20,401.69	21,789.22	21,424.26	22,820.06	25,308.92	27,211.51	26,955.37	18,951.15	21,952.02
Profit Before Tax (PBT)	13,851.49	16,184.50	18,635.28	19,825.09	19,104.78	20,208.62	22,609.39	23,911.98	21,654.92	13,095.95	15,603.90
Net Profit/Loss (PAT)	10,212.80	11,937.02	12,631.31	13,126.18	13,055.69	15,973.38	16,629.15	17,630.77	15,587.61	9,126.32	11,006.87
Value Added	42,808.81	43,363.11	50,181.18	54,412.85	52,206.95	59,350.32	60,157.17	66,868.27	70,908.96	62,417.24	64,340.23
Value added per employee	51.21	56.46	66.73	64.02	66.00	75.51	78.84	86.84	94.42	81.06	81.86
Paid up Capital	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00
Gross Block	38,670.17	27,704.22	35,911.43	39,574.81	49,938.95	54,097.55	55,592.28	109,830.44	122,806.10	130,123.52	140,542.71
Net Fixed asset	24,427.97	26,295.74	32,737.74	34,443.38	42,494.69	44,074.63	42,891.57	93,848.75	101,550.21	103,150.96	107,403.49
Net current asset	35,144.93	47,879.87	47,862.25	44,052.85	63,221.24	81,738.45	80,847.94	87,649.27	94,263.28	99,194.35	110,103.46
Capital Employed (as per MOU)	55,339.80	62,868.51	70,558.01	78,995.46	83,527.97	95,857.07	107,263.11	121,847.82	135,355.09	137,858.43	145,355.81
Equity	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00	18,734.00
Reserves	35,271.83	43,233.03	51,700.40	60,169.45	64,736.91	77,104.66	88,529.11	100,337.94	109,885.42	113,210.30	122,713.93
Net Worth	54,005.83	61,967.03	70,434.40	78,903.45	83,470.91	95,838.66	107,263.11	119,071.94	128,619.42	131,944.30	141,447.93
Contribution to Exchequer	10,617.67	14,316.38	16,641.00	14,492.26	16,272.22	17,012.99	18,593.16	22,363.05	26,027.52	30,826.54	28,373.56
No. of employees	836	768	752	850	791	786	763	770	751	770	786
Productivity per employee (₹ Lakhs)	76.56	88.35	92.51	82.08	103.01	123.42	101.13	128.41	146.51	149.04	135.58

*Capital Employed Figures have been computed in line with the MoU parameters.

Capital Employed = Net worth + Long Term Borrowings

Boards' Report

The Members,
Mishra Dhatu Nigam Limited

Your Directors take great pleasure in presenting the 51st Annual Board's Report, highlighting the performance and achievements of your Company, together with the Audited Financial Statements (Standalone & Consolidated) for the Financial Year (FY) ended on March 31, 2025.

1. SIGNIFICANT ACHIEVEMENTS:

During FY 2024-25, Company achieved its highest ever revenue of ₹1,07,410.15 Lakh, marginally surpassing the revenue of ₹1,07,267.45 Lakh achieved for FY 2023-24.

Achieved highest ever export turnover of ₹ 9,419.32 Lakh registering a year-on-year growth of 42.21% compared to ₹ 6,623.00 Lakh during FY 2023-24.

The Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) for FY 2024-25 stood at ₹24,896.79 Lakh, reflecting a healthy growth of 11.10% compared to ₹22,408.66 Lakh recorded in FY 2023-24.

Profit Before Tax (PBT) for FY 2024-25 increased to ₹15,603.90 Lakh, registering a growth of 19.15% over ₹13,095.95 Lakh in FY 2023-24. Likewise, Profit After Tax (PAT) improved to ₹11,006.87 Lakh in FY 2024-25, marking a year-on-year growth of 20.61% from ₹9,126.32 Lakh in FY 2023-24.

2. HIGHLIGHTS OF OPERATIONS:

Developed three grades of cast Ni-based superalloys and supplied defect free cast bars for its application in the aerospace sector. The stringent chemistry and mechanical properties including high temperature properties of the alloys were achieved in single attempt using thermodynamic simulation.

Developed and indigenized Nickel based superalloys for aeroengine casings. It was supplied in forms of forged and rolled rings, as well as hot rolled bars. The parameters were successfully established

through thermodynamic and thermo-mechanical simulations and various experimentation, to achieve the requirement of stringent high temperature mechanical properties.

Successfully developed two important and indigenous nickel-based superalloys—Superni 41 hot rolled plates and IHTA forged billets—both were recognized by the Hon'ble Raksha Mantri during the *SAMARTHYA* event at Aero India 2025, Bengaluru. Superni 41 is a precipitation-hardening alloy offering high strength up to 871°C and oxidation resistance up to 982°C. IHTA, designed for steam generator tubes in thermal power plants, exhibits exceptional high-temperature strength, creep resistance, and coal ash corrosion resistance, with operating capability up to 760°C and 350 bars, making it vital for next-generation power generation technologies.

3. FINANCIAL HIGHLIGHTS:

- 3.1 Your Company achieved a revenue of ₹1,07,410.15 Lakh for FY 2024-25 vis-à-vis revenue of ₹1,07,267.45 Lakh achieved for FY 2023-24 reflecting a marginal Year-on-Year (Y-o-Y) growth of 0.13%. Despite steady revenues, the Company delivered a significant improvement in profitability, achieving an Operating Profit of ₹12,511.75 Lakh for the FY 2024-25 registering a Y-o-Y growth of 23.85% vis-à-vis Operating Profit of ₹ 10,102.43 Lakh achieved for FY 2023-24. This improvement underscores the Company's focus on operational efficiency.
- 3.2 EBITDA for the FY 2024-25 stood at ₹ 24,896.79 Lakh and registered Y-o-Y growth of 11.10 % against the EBITDA of ₹ 22,408.66 Lakh recorded during FY 2023-24. Value of Production (VoP) for the FY 2024-25 stood at ₹ 1,06,562 Lakh against the VoP of ₹1,14,764 Lakh recorded during FY 2023-24.
- 3.3 Profit Before Tax (PBT) for FY 2024-25 stood at ₹15,603.90 Lakh registering a Y-o-Y growth of 19.15% vis-à-vis PBT of ₹13,095.95 Lakh for FY 2023-24. Profit After Tax (PAT) stood at ₹11,006.87 Lakh for the FY 2024-25 registering a Y-o-Y growth of 20.61%, vis-à-vis ₹9,126.32 Lakh achieved for FY 2023-24.

3.4 The financial performance of your Company during FY 2024-25 on standalone basis is summarized below:

(Figures in ₹ Lakh)

Particulars	FY 2024-25	FY 2023-24
Revenue from Operations	1,07,410.15	1,07,267.45
Other Income	3,092.15	2,993.52
Total income	1,10,502.30	1,10,260.97
Less: Operating Expenditure	85,605.51	87,852.31
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	24,896.79	22,408.66
Less: Depreciation/ Amortization/ Impairment	6,348.12	5,855.20
Profit before Finance Costs, Exceptional items and Tax Expense	18,548.67	16,553.46
Less: Finance Costs	2,944.77	3,457.51
Profit before Exceptional items and Tax Expense	15,603.90	13,095.95
Add/(less): Exceptional items	-	-
Profit before Tax Expense	15,603.90	13,095.95
Less: Tax Expense (Current & Deferred)	4,597.03	3,969.63
Profit /(loss)for the year (1)	11,006.87	9,126.32
Other Comprehensive Income/(loss) (2)	(97.90)	(31.26)
Total Comprehensive Income (1+2)	10,908.97	9,095.06
Ratios (Percentages unless otherwise provided)		
Profit Before Tax to Capital employed	10.73	9.50
Profit Before Tax to Revenue from operations	14.53	12.21
Profit After Tax to Net Worth	7.78	6.92
Profit After Tax to Paid-up Share Capital	58.75	48.72
Sales to Capital Employed	73.89	77.81
Sales to Gross Block	76.43	82.44
Per Capita Sales (₹ in Lakh)	136.65	139.31

4. DIVIDEND POLICY:

- 4.1 Your Company, being a Central Public Sector Enterprise (CPSE), the Guidelines on Capital Restructuring issued by Department of Investment and Public Asset Management (DIPAM) as amended from time to time are applicable. As per the DIPAM Guidelines, every CPSE would pay a minimum annual Dividend of 30% of PAT or 4% of the Net-worth whichever is higher subject to the limit, if any, under any extant legal provision.
- 4.2 The Company's dividend distribution policy is enclosed as "Annexure - I" and also available on the Company's website viz. <https://midhani-india.in/policies/>.
- 4.3 The Directors have not recommended a final dividend for FY 2024-25, in view of the ongoing capital expenditure and capacity augmentation projects, both under execution and

newly sanctioned by the Board. Further, during the year under review, the Board of Directors of the Company in their Meeting held on March 19, 2025 had declared interim Dividend of ₹ 0.75 per equity share of the face value of ₹ 10/- each i.e. @ 7.50%.

- 4.4 The interim Dividend was paid to the eligible shareholders on March 25, 2025. The Interim dividend declared and paid by Company i.e. ₹ 0.75 per equity share of face value of ₹ 10/- each i.e. 7.50% translates to 12.77% of Profit After Tax (PAT).
- 4.5 During the year under review, your Company has sought exemption from DIPAM with respect to payment of minimum dividend for FY 2024-25 in accordance with DIPAM Guidelines.

4.6 The performance of MIDHANI with respect to the Return on Investment in comparison to the previous year is as under:

(₹ in Lakh unless otherwise stated)

S. No	Particulars	FY 2024-25	FY 2023-24
1.	Dividend	1,405.34	2,641.49
2.	Profit After Tax (PAT)	11,006.87	9,126.32
3.	Net Worth*	1,37,407.33	1,28,124.38
4.	Dividend/PAT (%)	12.77	28.94
5.	PAT/Net Worth (%)	8.01	7.12
6.	Dividend/Net Worth (%)	1	2

*Net worth is after considering Dividend for respective periods.

5. TRANSFER TO GENERAL RESERVE:

Your Company has transferred ₹ 8,100 Lakh to General Reserve for the FY 2024-25.

6. Joint Venture/Associate Company

6.1 During the year under review, a Joint Venture Company i.e. Advanced Materials (Defence) Testing Foundation, (Section 8 Company) was incorporated on June 4, 2024 under Defence Testing Infrastructure Scheme promulgated by Ministry of Defence. The Joint Venture Members comprise Mishra Dhatu Nigam Limited, Hindustan Aeronautics Limited, Bharat Dynamics Limited, Yantra India Limited and PTC Industries Limited, each holding 20% of paid-up share capital of the Company.

6.2 The Joint Venture Company will set up a Mechanical and Material Testing Facility at the Lucknow node of the Uttar Pradesh Defence Industrial Corridor, with MIDHANI leading the project. The project will be funded through a grant-in-aid of 75% of the project cost by the Government of India, while the balance 25% will be contributed by the Joint Venture members.

7. PERFORMANCE AGAINST MoU:

For FY 2024-25, MIDHANI's MoU performance is expected to qualify for an overall 'Good' rating, subject to evaluation and confirmation by Department of Public Enterprises (DPE).

8. MODERNISATION, EXPANSION & UPGRADATION PROGRAM OF THE COMPANY:

8.1 Over the years, the Company's consistent focus on upgradation and modernization has resulted in the establishment of additional facilities, expansion of production capacity, and diversification of its product portfolio.

8.2 Projects undertaken/ proposed for Modernization, Expansion and Upgradation of MIDHANI's production activities during the year ended on March 31, 2025 are as under:

(i) **Production of Helical Springs:** A dedicated facility for manufacturing Helical Compression Springs for railway wagons, coaches, and locomotives was established. Research Designs & Standards Organisation (RDSO) three-stage approval process includes facility approval, prototype approval, and field trial approval is currently in progress. Preliminary approval was obtained in May 2024 and revised prototypes are expected to be submitted for RDSO approval by October 2025. Concurrently, equipment upgrades and modifications are also undertaken to proceed with field trials and secure final approval.

(ii) **Compacting Press for Titanium sponge:** Procurement of an 8000T capacity hydraulic compacting press is being planned for compacting Titanium sponge with master alloys to produce Titanium electrodes which will be utilized in both primary and secondary melting in the Vacuum Arc Re-melting (VAR) furnace. The project scope also covers establishment of necessary auxiliary facilities such as moulds, electrical and Programmable Logic Controller (PLC) systems, and stacking devices.

(iii) **Establishment of new Titanium Shop:** To cater to the growing demand for Titanium alloys from the naval, space, missile, and export sectors, a dedicated Titanium melting facility has been established. This new Titanium shop is equipped with a 10-ton capacity Vacuum Arc Re-melting (VAR) Furnace, an indigenously developed Plasma Welding Machine, a recirculating water system, cooling towers, independent power distribution, DG set, and

supporting infrastructure housed in a separate pre-engineered building with office and storage space. Designed with provision of future expansion in mind, the facility was commissioned and over 100 heats were melted during FY 2024–25.

- (iv) **VAR-VI (Z Furnace) successfully qualified for Titanium alloys:** New Vacuum Arc Remelting (VAR) Furnace, designated as VAR-VI (Z Furnace), which was rigorously tested and qualified for melting Titanium alloys. This qualification ensured the furnace met high standards for refining and producing defect-free ingots. The process included monitoring of arc stability, melt rate, hot topping, ultrasonic inspection and ingot surface quality. This successful qualification will expand melting capabilities and further strengthen Titanium production capacity.
- (v) **Augmentation of Bar & Wire Drawing facility:** MIDHANI undertook a major augmentation of its Bar & Wire Drawing (B&WD) Shop. Phase 1 of the upgradation included the in-house development of a continuous strand annealing furnace to replace an outdated unit, enabling the production of four critical stainless steel weld consumables. In Phase 2, MIDHANI constructed a new 459 sq.m shed and installed two new bull block machines capable of significantly enhancing monthly production capacity of stainless and low alloy steel wires. These upgradations have strengthened the B&WD Shop's ability to cater to diverse sectors, with enhanced capability and thereby also eliminated the need for outsourcing.
- (vi) **Additional Supporting facility for Wide Plate Mill:** To address rising production demand and strengthen finishing operations, the DE and EF bays of the Wide Plate Mill plant have been extended. Key equipment such as a shot blasting machine and plasma cutting machine were installed and integrated into regular production. To further support the growing needs for cold and hot plate cutting and to strengthen inspection capabilities, plans are underway to introduce additional facilities including a water jet cutting system, CNC plasma cutting machine, online ultrasonic testing (UT) machine, EOT cranes for efficient plate handling, and dedicated grinding units for Work Rolls and Back-Up Rolls.
- (vii) **Replacement of old HT cables and HT equipment(s):** MIDHANI initiated a phased replacement of old HT cables and HT equipment(s) across shop floor to enhance safety and reliability.

The HT cable of Forge shop and CRM were replaced with new XLPE cables which improved reliability of power distribution system. Also initiated replacement of old porcelain-type 132KV CT/PT with new Polymeric type CT/PT to improve safety and reliability of main receiving substation of MIDHANI.

9. LABOUR PRODUCTIVITY:

The value added per employee for year ended on March 31, 2025 was ₹ 81.86 Lakh, vis-à-vis ₹81.06 Lakh in the previous financial year.

10. SALES AND OPERATIONAL EFFICIENCY:

As of March 31, 2025, MIDHANI's trade receivables, measured in terms of 'Number of Days Sales,' increased to 139 days, compared to 110 days as on March 31, 2024. The rise in receivable days is primarily attributable to delays in payments. Additionally, the higher share of dispatches made during the last quarter of the financial year contributed to the elevated receivables position as of the reporting date.

11. DEVELOPMENT OF NEW PRODUCTS THROUGH R&D EFFORTS:

- 11.1 Research and Development (R&D) remains cornerstone of product development. MIDHANI's R&D efforts extends beyond innovation, integrating marketing, cost management, and product enhancement, into our broader business strategy. R&D plays a pivotal role in developing new products and improving existing offerings, making it a key driver of our growth and success and continues to be accorded high priority in MIDHANI's operations.
- 11.2 During FY 2024 -25, an expenditure of ₹2,417.61 Lakh was incurred towards R&D. In addition to overseeing the research and development of new products, MIDHANI's R&D is entrusted with the crucial responsibilities of planning, team management, and deployment of technical infrastructure and manpower to support specific processes.
- 11.3 Some of the major R&D initiatives undertaken during the year are as below:

Indigenous Product Developments:

Development and supply of three grades of cast Ni-based superalloys for Aero-engine: Three grades of cast Ni-based superalloys were successfully developed, type approved and supplied as defects free cast

bars for aeroengine applications. The stringent chemistry and mechanical properties including high temperature properties of the alloys were achieved in single attempt leveraging thermodynamic simulation without any rejection.

Development of Nickel based superalloy for the casing of aero-engine: MIDHANI successfully developed and indigenized Nickel based superalloy, for the casing of aero-engine. It was successfully supplied in forms of forged and rolled rings as well as hot rolled bars. Melting, homogenization, forging and hot rolling parameters were successfully established through various experimentation and thereby meeting the requirement of stringent high temperature mechanical properties. Most importantly, Ultrasonic Testing (UT) criteria was also established for the rings and Hot-Rolled bars.

SN90A Products for aeronautical applications: MIDHANI developed and optimized the process parameters for forging of Superni-90A 125mm diameter forged bars ensuring consistency in microstructure, grain size and mechanical properties and high temperature properties. SN90A products were successfully manufactured and supplied by meeting the stringent ultrasonic inspection requirement of 1.2mm FBH. This development contributed significantly to indigenisation of SN90A for aeronautical applications.

Various Nickel based cast alloys for aeronautical applications: MIDHANI successfully developed five Nickel-based cast alloys. Remelt stocks were developed through 600 Kg VIM furnace. Type certification of these cast alloys was achieved by meeting chemical composition and surface defects inspection. Manufactured as cast sticks, these alloys have now been fully indigenized for aeronautical applications.

Development of Indian High Temperature Alloy (IHTA) Forged Billets: MIDHANI successfully developed a new Nickel-based superalloy, IHTA, specifically designed for its application in steam generator tubes of India's thermal power plants. IHTA is a precipitation-hardening nickel alloy that demonstrates

exceptional strength and creep resistance at high temperatures, excellent resistance to coal ash corrosion, and outstanding metallurgical stability. With good weldability in heavy sections, it has been engineered to meet the requirements of cleaner and more efficient power generation. Capable of operating at temperatures up to 760°C and high pressures of 350 bars, IHTA is ideal for next-generation thermal power systems.

Development of SNI 41 hot rolled plates: MIDHANI successfully developed Superni 41, a nickel-based precipitation hardening alloy known for its high strength retention up to 871°C and excellent oxidation resistance up to 982°C. Due to its exceptional resistance to high-temperature combustion gases, the alloy is primarily used in engine combustion chambers. The alloy also find its critical applications in turbine castings such as blades and wheels, combustion chamber liners, gas turbine nozzle partitions, petrochemical reactor components, fasteners, etc.

Establishment of Thermo-mechanical Processing Parameters and Supply of Titan31A Alloy Bars: MIDHANI developed and optimized the thermo-mechanical processing parameters for Titan31A alloy bars of 500mm and 420mm diameter, ensuring consistency in microstructure and mechanical properties. MIDHANI successfully manufactured and supplied these bars for aerospace applications by meeting stringent Ultrasonic inspection class 3.2 mm FBH. This achievement marks a significant step in the indigenization of large-diameter Titanium alloy products for aerospace applications.

Qualification of Indigenized Al-V and Al-Mo-Ti Master Alloys: MIDHANI successfully developed and qualified critical master alloys—Al-V for Titan31A and Al-Mo-Ti for BT3-1—to substitute imported raw materials impacted by geopolitical constraints. These master alloys were validated through melting, forging, hot rolling of three heats and subsequent mechanical, microstructural and chemical evaluations. This successful integration of master alloy improved cost-effectiveness and supply chain reliability.

Establishment of Process Parameters for Wide Plate Mill (WPM) Products of Titan32, PT3B & Titan31: MIDHANI successfully developed and validated hot rolling parameters for manufacturing wide plates using Titan32, PT3B, and Titan31 alloys. The process development included defining percentage deformation, temperature control, rolling speeds and heat treatment. Each alloy's unique processing requirements were addressed to maintain structural integrity and achieve desired mechanical and microstructural properties. This achievement enabled reliable production of wide plate products for aerospace and defence applications.

Type Testing of Titanium Products for Naval Applications: MIDHANI successfully completed extensive type testing for BT1-0 cold rolled sheets, PT1-M seamless pipes, and PT3B plates, sheets, fasteners, forged products, and hot-rolled bars. These products were rigorously evaluated for dimensional accuracy, surface finish, mechanical properties, weldability, and corrosion resistance. Developed as import substitutes, these products met all end-user specifications.

Established thermo-mechanical processing parameters for BT20 Ring products: MIDHANI successfully established and developed the thermo-mechanical processing parameters for BT20 alloy ring components for the aerospace requirement. The process covered billet conversion, ring rolling, and final heat treatment ensuring compliance with mechanical and microstructural properties and dimensional precision. This achievement played a vital role in enabling domestic production of Titanium rings, thereby reducing dependency on imported materials for critical aerospace applications.

Process improvement:

MIDHANI successfully established the utilization of Titanium plant reverts (solid blocks) for melting of Titan31 alloy. A sustainable process was developed to use clean solid Titanium blocks as charge material, enhancing raw material utilization and reducing production costs without compromising alloy quality. Comprehensive

trials validated that the chemical composition and mechanical properties remained consistent, supporting cost-effective and environmentally responsible manufacturing practices.

MIDHANI successfully qualified the Wide Plate Mill (WPM) for five aeronautical steel grades thickness up to 100mm. Following qualifications, materials has been successfully dispatched and this development would enhance product yield, reduce dependency on the Forge Shop, Heat Treatment Shop, and Hot Rolling Mill. It would also improve overall production efficiency through the WPM route.

Plant reverts were successfully qualified for use in five aeronautical steel grades, resulting in significant cost savings on raw materials and a reduction in Work-In-Progress (WIP) inventory. This qualification not only enhanced raw material utilization but also supported sustainable manufacturing practices by minimizing waste and optimizing process efficiency.

Artificial Intelligence (AI)

During FY 2024–25, MIDHANI implemented and deployed an AI-based image analysis system to predict the microstructure of alloys, enhancing the accuracy and efficiency of metallurgical evaluations. This system enables faster decision-making in quality control and aids in standardizing microstructural assessments, thereby contributing to improved product reliability and process optimization.

12. INTELLECTUAL PROPERTY:

The Company continued to develop new products to meet growing market demand, achieving significant advancements in R&D activities. This progress is reflected in the expansion of the company's intellectual property assets. MIDHANI's products are unique, and to safeguard against infringement, the Company has placed a strong emphasis on encouraging the application of Intellectual Property Rights (IPRs). Recognizing the importance of IPR in identifying potential patents, MIDHANI's R&D team, in collaboration with the Training and Development department, also organizes in-person and online sessions to educate employees on IPR awareness and its application during the development phase.

13. ENERGY CONSERVATION:

- 13.1 With a strong focus on energy efficiency and best practices, MIDHANI undertook several initiatives during the year to optimize resource utilization. Specific measures were introduced during the year to reduce LPG consumption, including loading materials with similar heat cycles in furnaces to their full capacity, optimizing batch processing of similar material types, and planning continuous furnace operations to maximize the use of available heat energy through improved Capacity Utilization Factor (CUF).
- 13.2 During FY 2024–25, MIDHANI implemented several energy-saving initiatives aimed at improving efficiency and reducing costs. A Power Purchase Agreement (PPA) was signed with NTPC Vidyut Vyapar Nigam Ltd. (NVVNL) on December 31, 2024 for a 1 MWp rooftop solar plant under the RESCO model. This initiative enabled MIDHANI to procure solar energy at ₹3.97 per kWh, significantly lower than the ₹6.65 per kWh from the conventional grid.
- 13.3 To further enhance power quality and reduce energy costs, a 3 MVAR Automatic Power Factor Correction (APFC) panel is proposed to be procured. This would improve the power factor from the current level of 0.95 to 0.99, building upon the earlier improvement from 0.90 to 0.95 achieved through previous APFC installations.
- 13.4 Additional energy saving measures included replacing all lighting in plant area with LED fixtures, replacing 50% of conventional fans with energy-efficient BLDC fans, and initiating the phased replacement of air conditioners with 5-star rated units. To further promote clean energy and sustainable mobility, six electric two-wheelers and four electric tricycles were procured. Efforts are also underway to enhance the generation and efficiency of the existing 4 MW solar plant.
- 13.5 During the year under report there was an increase in specific consumption of LPG and Electricity due to the ongoing project works.

The summary of consumption of Electricity and LPG for the FY 2024-25 vis-à-vis FY 2023-24 are as below:

The summary of consumption of LPG:

Description	Unit	FY 2024-25	FY 2023-24
Annual consumption of LPG	MT	4,783.23	5,411.10
Specific consumption of LPG in Production	MT (LPG)/ MT (Prod.)	0.32	0.19

The summary of consumption of Electricity:

Description	Unit	FY 2024-25	FY 2023-24
Annual consumption of Electricity	KWhr (in Crore)	6.35	5.87
Specific consumption of Electricity in Production	Kwh/T	1891.96	2,031.28

14. MARKETING & BUSINESS DEVELOPMENT:

- 14.1 During FY 2024-25, MIDHANI secured contracts worth ₹ 1,44,446.91 Lakh. As of April 1, 2025 the value of open orders stood at ₹ 1,83,200.00 Lakh. Considering the current order book situation and expected new orders, the Company is well positioned for consistent growth.
- 14.2 The sector wise order booked during FY 2024-25 are as under:

(₹ Lakh)

Sector	Total value of orders
Defence	1,11,933.09
Space	15,547.00
Energy	4,938.25
Others	12,028.56
Total	1,44,446.91

14.3 Sector-wise Performance: The total orders executed during FY 2024-25 were ₹1,07,410.15 Lakh and sector wise sales were as follows:

Sector	Total value of supplies (₹ Lakh)
Defence	79,060.40
Space	12,083.30
Energy	1,019.50
Others	15,246.95
Total	1,07,410.15

14.4 Business Development:

Over the past decade, MIDHANI's business has been primarily driven by the space sector, with special steels being a major product line. However, during FY 2024-25, a significant shift occurred with major orders coming from the Defence sector, largely due to indigenization efforts. Export sales also saw a notable increase of 42.21%, increasing from ₹6,623.76 Lakh in FY 2023-24 to ₹9,419 Lakh in FY 2024-25, with exports now reaching over 19 countries. Strategic investments in vacuum induction melting and vacuum arc remelting are expected to support further export diversification, particularly in Super Alloys and Titanium Alloys.

Capacity enhancements and process improvements contributed to increased business in Super Alloys and Titanium Alloys, particularly for the Defence, Aerospace, Energy, and Export sectors. Company also expanded its customer base by adding 10 new customers during the year and received orders for over 25 new grades catering to various strategic requirements. Existing facilities, including Vacuum Induction Melting and Vacuum Arc Remelting Furnaces, can meet the growing demand in these areas, particularly from the aerospace sector.

MIDHANI engaged with global aerospace OEMs to position itself as a reliable supplier of superalloys, special steel, and titanium products. Looking ahead, the Company anticipates the need for additional investment over the next five years to further expand its melting, forging, and allied capacities. Parallely efforts are underway to obtain NADCAP certifications during FY 2025-26 to support qualification requirements for the aerospace industry.

MIDHANI signed a MoU with IIT- (BHU) Varanasi for clinical studies of Nickel- free austenitic stainless steel developed by the institute for medical applications .

The MoU titled "Development of Austenitic Stainless Steel for Medical Applications" was signed on July 9, 2024 by Dr. S. K. Jha, (then Chairman & Managing Director) and Prof. Amit Patra, Director of IIT- (BHU), Varanasi.

MIDHANI signed a MoU with Armoured Vehicles Nigam Limited (AVNL) on October 16, 2024 for the indigenisation of Armoured Steel for Defence applications. The MoU proposes to meet the demand for armoured plates across all AVNL units.

14.5 Information Technology (IT):

During FY 2024-25, MIDHANI strengthened its ERP systems through development and implementation of a Quality Testing Application using Oracle Apex and operationalized the Enterprise Asset Management (EAM) maintenance module. Comprehensive dashboards were introduced to monitor key operational metrics such as sales, production, machine hours, raw material consumption, procurement, and grade-wise yield analysis, enabling data-driven insights into operational efficiency. Enhancements also included vendor invoice integration with the GeM portal, upgrades to the Fixed Asset Capitalization (FAC) system, and improvements in the vendor master and payment systems.

Significant upgrades were also made to MIDHANI's IT infrastructure to strengthen cybersecurity. Internet connected PCs were secured through deployment of Maya OS and Chakravayuh Server, along with the implementation of log collectors for monitoring and traceability. Additionally, MIDHANI successfully completed the CSG-DDP Cyber Security Audit, demonstrating full compliance and reinforcing its commitment to maintaining robust cyber defenses across its digital ecosystem.

15. EXHIBITIONS/SEMINARS FOR PROMOTION OF COMPANY PRODUCTS/BRAND:

15.1 MIDHANI participated at Aero India 2025, held from February 10-14, 2025 in Bengaluru. The event served as a platform for Company to showcase its advanced materials and innovations that play a vital role in strengthening India's strategic sectors.

15.2 MIDHANI participated in Vigyan Vaibhav 2025, a premier event celebrating science and innovation, held in Hyderabad from February 28 to March 2, 2025. The event was inaugurated by the Hon'ble Raksha Mantri, Shri Rajnath Singh, and brought together leading organizations

from the aerospace and defence sectors, providing MIDHANI with a platform to highlight its contributions to advanced materials development and also showcase its collaborations with DRDO towards advancements in Aerospace & Defence sectors.

- 15.3 MIDHANI participated in the 'India-Indonesia Defence Industry Exhibition-cum-Seminar' organized in Jakarta on April 30, 2024.

16. QUALITY MANAGEMENT ACTIVITIES:

- 16.1 During FY 2024-25, MIDHANI significantly enhanced its testing capabilities with successful installation and commissioning of several advanced equipment(s). This included two 100 kN Servo Electric Universal Testing Machines for conducting low cycle fatigue tests at both room temperature and elevated temperatures up to 1200°C, a 5 kN Universal Testing Machine for tensile testing of thin wires, and a Brinell Hardness Testing Machine. In addition, a CMOS-based Optical Emission Spectrometer and a simultaneous Oxygen, Nitrogen, and Hydrogen (ONH) Gas Analyzer were also commissioned, strengthening MIDHANI's material characterization and quality assurance infrastructure.
- 16.2 MIDHANI achieved several key milestones in quality control and material testing. The QCL Apex application was successfully implemented for generating online test certificates, thereby streamlining certification processes. Approximately 50,000 test samples—including tensile, creep, impact, fatigue, and fracture toughness specimens—have been prepared and tested.
- 16.3 Notably, MIDHANI stabilized the recrystallization temperature for Indian high-temperature alloys developed for energy sector, a breakthrough that was recognized with an appreciation award from the Hon'ble Raksha Mantri, Shri Rajnath Singh. In addition, MIDHANI executed various export orders in line with international standards and completed inspection and clearance of around 1,000 cast sticks of various grades, meeting DGAQA requirements.

17. SUPPLY CHAIN MANAGEMENT PERFORMANCE:

- 17.1 **Vendor Meet:** MIDHANI organized a Vendor Meet on November 2, 2024 to foster direct engagement and strengthen collaboration with its vendor base. The event served as a platform to share updates on emerging business opportunities in strategic projects, as well as to brief vendors on the registration process on the Government e-Marketplace (GeM) portal, along with

payment procedures followed at MIDHANI. Vendors were encouraged to share their concerns, which were addressed through open discussions aimed at improving transparency and strengthening vendor relationships.

17.2 Encouragement to Micro and Small-Scale Industries:

MIDHANI remains committed to promoting and supporting Micro and Small Enterprises (MSEs) by sourcing a diverse range of goods and services from them. During FY 2024–25, 54.49% of the total domestic procurement value was sourced from MSEs reaffirming its role in strengthening inclusive growth and supporting the MSE ecosystem.

MIDHANI also extended its support to women-owned MSEs, with procurements totaling ₹137 Lakh in FY 2024–25, benefitting 92 such enterprises.

- 17.3 **Integrity Pact (IP):** To uphold transparency and integrity in all contracts, MIDHANI implemented the practice of signing integrity pacts with the respective bidders for high-value contracts. Shri Sunil Kumar Chourasia, IOFS (Retd.) and Shri T. Bal Raj, ITS (Retd.) act as Independent External Monitors (IEMs) to ensure compliance and adherence to ethical standards. During FY 2024-25, 76.76 % of the total value of contracts and Purchase Orders (POs) were covered under the Integrity Pact, reaffirming MIDHANI's commitment to maintain integrity and accountability in its operations.

- 17.4 **Government e-Market Place (GeM):** MIDHANI is committed to strengthening its procurement processes by actively leveraging the Government e-Marketplace (GeM) platform for greater transparency, efficiency, and ease of doing business. During F.Y. 2024-25, MIDHANI issued Purchase Orders valuing ₹15,263 Lakh through GeM.

18. RISK MANAGEMENT:

- 18.1 MIDHANI has a comprehensive Risk Management Policy that has been approved by the Board. The identification and assessment of risks associated with various processes in MIDHANI have been extensively discussed in the Internal Production Review Meetings. In compliance with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015), MIDHANI has constituted a Risk Management Committee.
- 18.2 As part of the Management Discussion and Analysis section of this Annual Report, a detailed list of the identified risk elements faced by the Company are enumerated. This ensures transparency and allows stakeholders to have a comprehensive understanding of the risks involved

in MIDHANI's operations. By actively managing and addressing these risks, MIDHANI remains committed to safeguarding its interests, promoting sustainable growth, and ensuring the long-term success of the organization.

19. HUMAN RESOURCE DEVELOPMENT:

19.1 Every organization is driven by its resources and one of the most vital resources is Human Capital. A company's productivity, efficiency and success are heavily determined by the strength of its workforce. The concept of Human Resource Development thus comes into the picture as a crucial business strategy, focusing on improving the skills, knowledge and abilities of a company's workforce.

19.2 Human Resource Development (HRD) at MIDHANI involves a range of initiatives including employee training, career progression, performance management, coaching,

mentoring and succession planning. It has enabled MIDHANI to build a flexible and adaptable workforce ready to embrace change and drive innovation.

19.3 One of the key challenges faced by any Company is the continuous up-gradation of employees' knowledge and skills through appropriate training and development modules. At MIDHANI, special emphasis is placed on providing effective training to its employees to enhance their knowledge and skills with a special focus on employees from differently-abled categories thereby fostering an empowered and skilled workforce.

19.4 Manpower Position: The manpower strength of MIDHANI as on March 31, 2025 stands at 510 Non-Executives, 15 Non-Unionized Supervisors and 261 Executives compared with 473 Non-Executives, 23 Non-Unionized Supervisors and 274 Executives as on March 31, 2024.

19.5 The total manpower strength under permanent category of your Company as on March 31, 2025 is as under:

Particulars	Non-Executives	Non-Unionized Supervisors	Executives	Total
Male	468	12	226	706
Female	42	3	35	80
Total	510	15	261	786

Note: Excluding Directors

Statement showing the representation of SC/ST/OBC/Differently abled and their recruitment etc., is enclosed as 'Annexure - II'

Representation of SC/ST/OBC among Non-Executives:

SC	ST	OBC	Others	Total
99	45	229	137	510

19.6 Employee Welfare Initiatives: The various employee welfare initiative undertaken during FY 2024-25 were as below:

Encouraging Small Family Norms: In order to encourage employees to opt for a small family, Management, as a policy, allows casual leave for employees who undergo sterilization operation varying from 6 to 14 days based on the type of sterilization operation.

Social obligations/welfare programs: Monetary awards were presented to meritorious students/ children of our employees belonging to SC, ST and OBC categories @ ₹1000/- per child in each category

who scored highest % of marks and @ ₹500/- each to all the students of above categories who scored 75% and above marks in X class Board examination or equivalent held in March/April. As per Company's scheme, scholarship to the children of employees for pursuing graduation in Metallurgical Engineering has been granted @ ₹1000/-p.m., till completion of the course.

Post-Retirement Medical Benefit Scheme (PRMBS): MIDHANI is operating Post-Retirement Medical Benefit Scheme for retired Employees through a group insurance policy. 85% of the premium is borne by the Company and 15% of the premium is paid by retired employee.

Education Scholarship for wards of Workmen / employees of MIDHANI Studying in BPDVAV School:

MIDHANI extends merit based scholarships to the children of employees who are studying in classes I to X and have secured the 1st or 2nd rank in their previous year's final examinations, with awardees receiving ₹6,000 per annum and ₹3,000 per annum respectively. Additionally, children of workmen in grades WG-0 to WG-5 who successfully advance to the next grade (classes I to X) are eligible for an Education Scholarship of ₹300/- per month. These initiatives reflect the Company's commitment to encouraging academic excellence and supporting the educational advancement of employees' families.

School Activities: Brahm Prakash D.A.V. School, located within MIDHANI Township, is managed by the Company for the children of MIDHANI employees and students from the neighboring areas. The students have consistently excelled in academics, athletics, and cultural pursuits, bringing honor and distinction to the school.

Township: MIDHANI continues to fulfill its social responsibility by maintaining a township consisting of 87 quarters to cater to the housing needs of the employees working in essential services of the Company.

19.7 Women Empowerment:

MIDHANI fosters an environment where women employees can excel and contribute to the company's goals. With 80 women in executive and non-executive roles, they play vital roles across various departments. The management supports their growth through targeted training programs and ensures their wellbeing in line with regulatory standards.

Every year on 8th March, MIDHANI celebrates International Women's Day. The event includes teambuilding activities, which are met with great enthusiasm.

19.8 Industrial relations: Industrial relations at MIDHANI remained peaceful and cordial throughout the year, with continued strong support and cooperation from employees. The management upheld a proactive and compassionate approach to human relations, fostering an environment of mutual trust and participative management. Efforts were also directed toward enhancing compliance standards in alignment with the organization's philosophy, thereby positively influencing employee performance and engagement.

19.9 Environment Management: MIDHANI has a dedicated team focused on maintaining and enhancing greenery across its premises, with over 50% of the total land covered under vegetation. The company's commitment to environmental safeguard has created a thriving ecosystem where various species of birds, squirrels, peacocks, and rabbits coexist harmoniously within the plantation areas, reflecting a well-balanced and sustainable habitat.

19.10 Tree Plantation initiative: As part of the "Ek Ped Maa Ke Naam" initiative, MIDHANI successfully collaborated with state government agencies to procure 1,000 tree saplings, they were planted across the MIDHANI plant, corporate office, and township with enthusiastic participation from employees and senior management. Continuing this green drive, a total of 12,144 plants were planted during the FY 2024–25, including an additional 10,000 saplings obtained through continued coordination with state authorities. Regular monitoring ensured high survival rate, significantly enhancing the green cover across MIDHANI's premises.

20. DIRECTORS, EMPLOYEES AND RELATED DISCLOSURES:

In accordance with Ministry of Corporate Affairs notification no. GSR 463(E) dated June 05, 2015, MIDHANI is exempt from provisions of Section 197 of the Companies Act, 2013 and rules thereof.

21. TRAINING & DEVELOPMENT:

21.1 During FY 2024–25, the Training and Development Department achieved a total of 2,953 person-days through a range of initiatives, including internal and external training programs, plant visits, skill development programs for apprentices, and internships. These efforts reflect MIDHANI's continued focus on capacity building and workforce development.

21.2 MIDHANI is committed to its responsibilities under the Apprentice Act 1961. In alignment with this commitment, approximately 98 Trade Apprentices were engaged across various trades such as Electrician, Fitter, Welder, Machinist, Turner, and COPA for one year of on-the-job training. To foster strong institution-industry relations, MIDHANI offered internships to 15 engineering students across India during FY 2024-25.

21.3 Beyond on-the-job training for apprentices, MIDHANI organized various skill development programs. These programs included knowledge transfer sessions and

motivational workshops conducted by both internal and external faculty, totaling 531 person days.

22. STATUTORY & SOCIAL OBLIGATIONS:

22.1 CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility and Sustainable Development Policy of MIDHANI in line with the Companies Act 2013 was approved by the Board of MIDHANI. The policy is available at <https://midhani-india.in/policies/>.

For the year under review MIDHANI has incurred expenditure of ₹ 399.76 Lakh for CSR activities against the mandatory requirement of ₹ 390.94 Lakh. In terms of Rule 7(3) of The Companies (Corporate Social Responsibility Policy) Rules, 2014 the excess CSR amount of ₹ 8.81 Lakh spent during FY 2024-25 is to be set-off against the requirement of Section 135(5) of the Companies Act, 2013 up to immediate succeeding three financial years.

The Company has prepared an annual report on its CSR activities, in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The report can be accessed at <https://midhaniindia.in/csr/> and forms part of Annual Report as **Annexure - III**. Details about the composition of the Corporate Social Responsibility and Sustainable Development Committee of MIDHANI can be found in the "Report on Corporate Governance," which is included in this Annual Report.

The CSR activities undertaken by our Company during the reporting year encompass the following areas:

- (i) Promotion of Health Care and Sanitation;
- (ii) Promotion of Education;
- (iii) Skill Development and;
- (iv) Others

(i) Promotion of Health Care and Sanitation:

(a) Promotion of Health care:

- i) MIDHANI has sponsored the activities of MIDHANI Primary Health Care Centre by incurring an expenditure of ₹ 122.33 Lakh, which is providing medical services to the needy patients by extending Out Patient consultation, Eye camps, cataract

surgeries, Cardiac camps in MPHCC and other places.

- ii) Sponsored ₹ 20 Lakh to Vivekananda Medical Trust for upgradation of Lab Equipment.
 - iii) Sponsored Nutritional Kits to 1500 TB patients in Hyderabad and incurred an expenditure of ₹ 22.52 Lakh.
 - iv) Sponsored ₹ 21 Lakh to Mamta Charitable Trust for organizing Health Awareness campaign and distributed Vikalang cycles, wheel chairs and Tested Lens, etc.
 - v) Sponsored items at an expenditure of ₹ 2.26 Lakh for infrastructure development of Primary Health Care, Uppuguda.
 - vi) Sponsored Farming Equipment for efficient Millet Farming for Women Farmers in the District of Dharbanga and Madhubani in Bihar.
 - vii) MIDHANI has sponsored a TRUENAT machine to aid in the early detection of Tuberculosis. The machine, worth ₹ 16.55 Lakh was sponsored by MIDHANI to accelerate diagnosis and enable timely intervention.
 - viii) Sponsored Ambulance to Sadasiva Madhava Trust, Kerala for providing Palliative Care services.
- (b) Annual maintenance of Toilets constructed by MIDHANI under Swachh Bharat continued.

(ii) Promotion of Education:

- (a) MIDHANI provides free education to children from SC/ST/OBC categories whose parents belong to lower income groups. Eligible children are admitted to LKG, and the Company bears the entire cost of their education up to Class 10. During the year, MIDHANI sponsored the education of 46 children, incurring an expenditure of ₹ 10.26 Lakh.
- (b) Sponsored Tata Class Edge Digital Classrooms, Solar Plant, UPS Charger and constructed a parking shed at B.P.D.A.V School at total expenditure of ₹ 58.16 Lakh.

- (c) Sponsored ₹ 10 Lakh to Kerala Vanavasi Vikas Kendram, Kerala for installation of Solar Plant at Agasthya Kudeeram Balika Sadanam.
- (d) Sponsored ₹ 13 Lakh to Lekshmi Ammal Ramaswami Educational Trust for the infrastructure development of Fort School, Kerala.

(iii) Skill Development:

- (a) Every year MIDHANI is inducting apprentices to help students have exposure to the real time environment and gain knowledge from the experienced professionals. As part of the stipend paid to the apprentices, an amount of ₹ 39.02 Lakh is accounted under CSR as per the guidelines.
- (b) Sponsored ₹ 25 Lakh towards the three-storied building at Chinmaya Mission Vishakapatnam in Gollalapalem Village, Duvvada, Visakhapatnam, which was designed to serve as a hub for rural education, skill development, and healthcare activities centers.
- (c) Sponsored the upgradation of medical facilities at Vivekananda Medical Trust, Visakhapatnam. MIDHANI has sponsored ₹ 20 Lakh to improve laboratory equipment at the trust, ensuring better healthcare services for the local community.

Actual CSR expenditure incurred during FY 2024-25 was ₹ 399.76 Lakh against mandatory expenditure of ₹ 390.94 Lakh (after setting off 0.34 Lakh). The Annual Report on CSR forms part as **Annexure -III** of this Annual Report.

22.2 DISCLOSURE UNDER SEXUAL HARRASEMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

At our company, we are dedicated to providing a safe and inclusive workplace for all employees, with a particular focus on the safety and well-being of women. To uphold this commitment, we have established an Internal Complaints Committee (ICC) specifically tasked with addressing and resolving issues related to sexual harassment. The ICC operates under a policy designed to protect and support all parties involved, adhering to strict guidelines to ensure fairness and confidentiality.

During the year under review the Internal Complaints Committee (ICC) received one complaint pertaining to

sexual harassment and the same is being dealt as per Company Rules.

22.3 CONTRIBUTION TO EXCHEQUER:

During FY 2024-25, your Company contributed an amount of ₹ 30,800.00 Lakh in the form of Dividend, Duties and Taxes vis-a-vis ₹ 30,826.54 Lakh during FY 2023-24.

22.4 COPY OF ANNUAL RETURN:

The Annual Return as provided under sub-section (3) of Section 92 of The Companies Act 2013 is available at website of the Company at <https://midhani-india.in/annual-return/>.

22.5 REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Report on conservation of Energy, Technology Absorption and foreign exchange earnings and outgo forms part of Annual Report as **Annexure – IV**.

22.6 BUSINESS RESPONSIBILITY REPORT:

As per the requirements of Regulation 34 of SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) forms part of Annual Report as **Annexure-V**. This report highlights the various initiatives undertaken by the Company in terms of environmental sustainability, social responsibility, and governance practices. We encourage you to review this report for a comprehensive understanding of our commitment to responsible business practices.

22.7 IMPLEMENTATION OF RIGHT TO INFORMATION (RTI) ACT 2005:

MIDHANI, as a Public Authority under the RTI Act 2005, has appointed a Nodal officer, Appellate Authority, and Central Public Information Officer (CPIO) to ensure compliance with the RTI Act 2005. The Company promptly provides information requested by citizens within the specified time frame. MIDHANI also fulfills its obligation of Suo Motu disclosures under Section 4(1)(b) of the RTI Act by displaying information on its official website. MIDHANI's website is regularly updated to keep its stakeholders informed about news and developments.

During FY 2024-25, 159 RTI applications were received and 163 applications were disposed of, including those from the previous period. As on March 31, 2025, 7 RTI applications were pending. Additionally, 18 RTI appeals were raised during FY

2024-25 and 21 RTI appeals were disposed of within the year. MIDHANI submits quarterly returns to the authorities in accordance with the regulations.

22.8 RAJBHASHA IMPLEMENTATION:

MIDHANI has adhered to the Government directives and regulations for promoting the use of Hindi in official work. Quarterly meetings of the Official Language Implementation Committee, were chaired by the Chairman & Managing Director. Progress reports were regularly submitted to the Ministry of Defence (MoD), the Ministry of Home Affairs (MHA), and the Town Official Language Implementation Committee - Undertaking (TOLIC-U). Four quarterly meetings of the Official Language Implementation Committee were held to ensure compliance and progress in this initiative.

Participation in TOLIC (Undertaking) Activities: MIDHANI has been actively involved in the activities of the Town Official Language Implementation Committee (Undertaking) [TOLIC (U)], Hyderabad-Secunderabad, and hosted the 60th TOLIC (U) meeting on November 11, 2024 at its premises. In recognition of its efforts in promoting the official language for FY 2023-24, MIDHANI was honored with the Rajbhasha Cup for Best Official Language Implementation on May 28, 2024 and the Best E-House Journal Award for its Rajbhasha e-journal "Sankalp" on November 11, 2024.

To support employees in performing their daily official work in Hindi, eight Hindi Awareness Workshops were conducted for approximately 132 employees. MIDHANI employees won four prizes in competitions organized by TOLIC (U) and MIDHANI continues to promote Hindi as the Official Language by regularly conducting Hindi language and typing training classes.

22.9 RELATED PARTY TRANSACTION:

Disclosure of related party transactions as per Ind AS-24, issued by the Institute of Chartered Accountants of India, is provided at note no. 40 of the Notes forming part of Annual Accounts for FY 2024-25.

All contracts /arrangements /transactions entered into by the Company with related parties during the year under review, were in ordinary course of business of the Company and on 'arms' length terms. The related party transactions were placed before the Audit Committee for review and/or approval.

During the year, the Company did not enter into any contract /arrangement /transaction with related party, which could be considered material in accordance with the Company's 'Policy on Materiality of and dealing with Related Party Transactions' and accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. The aforesaid Policy is available on the Company's website at <https://midhani-india.in/policies/>.

23. VIGILANCE ACTIVITIES:

- 23.1 The Vigilance Department of the Company is led by Ms. Spurthi Reddy, an IRS officer, serving as the Chief Vigilance Officer (CVO). As CVO, Ms. Spurthi Reddy guides the Chairman & Managing Director (C&MD) on all vigilance-related matters and acts as a liaison between the organization and the Central Vigilance Commission (CVC).
- 23.2 During FY 2024-25, Vigilance department of MIDHANI examined various Procurement contracts/sub-contracts casefiles and processes on regular basis. Periodic and surprise inspections were conducted and the alleged transactions referred to it were investigated.
- 23.3 In addition to regular vigilance activities, structured meetings were held between the Chairman & Managing Director and the Chief Vigilance Officer during the year. Vigilance Department proposed eleven (11) systemic improvements and good practices across key functional areas, including Human Resources, Security, Stores Management, and Procurement/Contracts. These recommendations were duly considered and implemented by the Management.
- 23.4 Vigilance Awareness Week – 2024 was observed from 28th October to 3rd November, 2024 focusing on CVC theme of "Culture of Integrity for Nation's Prosperity". As suggested by the CVC, various Quiz competitions were held amongst the employees through online mode on topics like "Anti-Corruption Drive", "MIDHANI Procurement Manual 2023 for Goods & Sub-Contracting" and "Standing Orders".

24. VIGIL MECHANISM:

- 24.1 MIDHANI invites reporting of unfair, unethical activities, if any in the company from the employees. In this regard, a Whistle blower policy has been put in place. The Whistleblower Policy was first adopted by the Board of Directors at its 206th Meeting on January 23, 2013. It was later amended as the Whistleblower Policy - 2018 to align with the Public Interest Disclosure and Protection of Informers Resolution, 2004 (PIDPI).

- 24.2 The Audit Committee periodically reviews the functioning of the Vigil Mechanism, including the surveillance system and any whistle-blower complaints received, to ensure transparency and accountability in the organization.
- 24.3 The Whistleblower Policy – 2018 serves as MIDHANI's Vigil Mechanism, providing a structured platform for individuals to report unfair or unethical practices that may affect the organization. The policy ensures confidentiality and protection against retaliation for whistleblowers, thereby promoting transparency and accountability.
- 24.4 The policy is readily accessible on the company's website at https://midhani-india.in/department_vigilance/role-functions-ofvigilance-department/.

25. AWARDS AND RECOGNITION:

MIDHANI was conferred an award for its outstanding 'Contribution to the Quality Circle (QC) Movement' by the Quality Circle Forum of India (QCFI), Hyderabad Chapter, during its 38th Annual Chapter Convention on Quality Concepts held on September 11, 2024. The award was presented by the Hon'ble State Minister for IT, Shri D. Sridhar Babu.

MIDHANI received four Gold Awards at the Quality Circle Forum of India (QCFI) Chapter Convention held at Hotel Marigold on 11th to 12th September 2024. The awards recognized the efforts of MIDHANI's team in promoting quality initiatives and implementing continuous improvement practices across various projects.

At the SAMARTHYA event held at 'Aero India 2025' on February 12, 2025, Nine officers from the Company were awarded Certificates of Appreciation by the Hon'ble Raksha Mantri, Shri Rajnath Singh, in recognition of their contributions in indigenizing two strategic alloys.

26. COMPANY PERFORMANCE AND FUTURE OUTLOOK:

The Annual Report includes Management Discussion and Analysis, providing a comprehensive analysis of the Company's financial performance, operations, and future outlook.

27. CORPORATE GOVERNANCE:

- 27.1 The Company adheres to the principles and philosophy of Corporate Governance, ensuring good decision-making practices in line with current standards and guidelines from

the Department of Public Enterprises. A comprehensive Code of Business Conduct and Ethics is in place which is applicable to all Board Members and Senior Management. A certificate from the Chairman and Managing Director affirming compliance with Code of Business Conduct and Ethics for Board and Senior Management forms part of Annual Report as **Annexure – VI**.

- 27.2 The Annual Report includes a comprehensive report on Corporate Governance, providing detailed information on the Company's adherence to guidelines issued by the Department of Public Enterprises (DPE) and SEBI Listing Regulations. A certificate confirming compliance with these guidelines, signed by a practicing Company Secretary, forms part of Annual Report as **Annexure – VII**.
- 27.3 In line with the Revised Grading norms for CPSEs, your Company has achieved a perfect score of 100% for the FY 2024-25 in terms of compliance with the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE).

28. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

- 28.1 MIDHANI has implemented a robust framework for internal controls, which is designed to align with the company's size and operations. This internal control system is further strengthened by a comprehensive program of internal audits and management reviews. The internal audit function, supported by external audit firms, conducts thorough and risk-focused audits to assess the effectiveness of the internal control structure and its functions on a regular basis. This ensures the integrity and reliability of the company's operations.
- 28.2 The Company has implemented robust internal financial controls in accordance with the requirements of the Companies Act, 2013. These controls are implemented at various levels within the organization to ensure compliance with internal control requirements, regulatory compliance, and accurate recording of financial and operational information. The internal financial controls are designed to safeguard assets, prevent fraud, maintain financial accuracy, and promote operational efficiency.
- 28.3 The Company engaged the services of external audit firm Sagar & Associates to conduct the internal audit during the year, with a focus on assessing the adequacy of systems and controls. The audit reports prepared by Sagar & Associates were thoroughly reviewed by the Audit Committee. Additionally, the in-house Internal Audit team conducted regular audits of specific processes. The

findings and recommendations from these audits, along with the corrective actions initiated, were discussed with the Management and reviewed by the Audit Committee. The Audit Committee also assessed the adequacy and effectiveness of internal controls in place.

- 28.4 No instances of fraud were reported to the Audit Committee by the Auditors in accordance with Section 143(12) of the Companies Act, 2013 and the rules prescribed. Therefore, no disclosure is required under Section 134(3)(ca) of the Companies Act, 2013.

29. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

- 29.1 The Board of your Company at the beginning of FY 2024-25 comprised of Six (6) Directors i.e. Three (3) Functional Directors, One (1) Government Nominee Director and Two (2) Independent Directors, all eminent personalities with vast experience from diverse fields.
- 29.2 As on date of this Report, the Company has six (6) Directors i.e. Two (2) Functional Directors, One (1) Govt. Nominee Director and Three (3) Independent Directors.
- 29.3 During the year under review, the following changes in composition of Board of Directors/KMP was observed:

Department of Defence Production, Ministry of Defence vide letter No. 5/1(2)/2018/D(NS) dated February 26, 2024 conveyed the approval of competent authority for re-employment of Dr. Sanjay Kumar Jha as Chairman & Managing Director of MIDHANI (DIN: 07533036) on contract basis for a period of Ten (10) months beyond the age of his superannuation i.e. w.e.f. March 1, 2024 upto December 31, 2024 or till regular incumbent joins the post or until further orders, whichever is the earliest. The tenure of Dr. Sanjay Kumar Jha as Chairman & Managing Director ended on December 31, 2024.

Department of Defence Production, Ministry of Defence vide letter No. 8 (32)/2019- D (Coord/DDP) dated December 10, 2024, 2024 conveyed appointment of Shri Amit Satija (DIN:08989543) Joint Secretary (Defence Industries Promotion) as Govt. Nominee Director in place of Shri Shalabh Tyagi (Joint Secretary – Personnel & Co-ordination) (DIN: 10042888) with effect from December 10, 2024, 2024. Further, his appointment as Govt. Nominee Director is subject to shareholders approval at ensuing Annual General Meeting.

The tenure of Shri Valluri Chakrapani (DIN: 00867270) as Independent Director of MIDHANI ended w.e.f. December 24, 2024.

Department of Defence Production, Ministry of Defence vide letter No. 5/1 (2)/2018/D(NS) dated December 19, 2024 conveyed entrustment of Additional Charge of Chairman & Managing Director's post to Shri Gowri Sankara Rao Naramsetti, Director (Finance) & CFO (DIN: 08925899) for a period of three months or until further or till regular incumbent joins the post. He held additional charge as Chairman & Managing Director from January 1, 2025 till April 27, 2025.

Department of Defence Production, Ministry of Defence vide letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the re-appointment of Smt. V. T. Rema (DIN: 09561611) on the Board of MIDHANI as Independent Director for a period of one-year w.e.f. April 18, 2025 or until further order by MoD (whichever is earlier).

Department of Defence Production, Ministry of Defence vide letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Shri Ajay Kumar Chauhan (DIN: 09394953) on the Board of MIDHANI as Independent Director for a period of one-year w.e.f. April 18, 2025 or until further order by MoD (whichever is earlier).

Department of Defence Production, Ministry of Defence vide letter No. 11(70)/2021/Misc./D(NS) dated April 18, 2025 conveyed the appointment of Ms. Aruna Sarap (DIN: 09583629) on the Board of MIDHANI as Independent Director for a period of one-year w.e.f. April 18, 2025 or until further order by MoD (whichever is earlier).

Further, their appointment as Independent Directors is subject to shareholders approval at ensuing Annual General Meeting.

Department of Defence Production, Ministry of Defence vide letter No. F.No. 5/1 (1)/ 2022/ D (NS) dated April 15, 2025 conveyed the appointment of Dr. S. V. S. Narayana Murty (DIN: 11065319) as Chairman and Managing Director of the MIDHANI on immediate absorption basis with effect from date of assumption of charge of the post till the date of his superannuation i.e., December 31, 2029 or until further order by MoD (whichever is earlier). He assumed charge as Chairman and Managing Director with effect from April 28, 2025. Further, his

appointment as Chairman and Managing Director is subject to shareholders approval at ensuing Annual General Meeting.

The tenure of Shri Gowri Sankara Rao Naramsetti, Director (Finance) and CFO (DIN: 08925899) and Shri T. Muthukumar, Director (Production and Marketing) (DIN: 09636771) ended on May 31, 2025 and June 30, 2025 respectively due to retirement.

Department of Defence Production, Ministry of Defence vide letter no. F.No. 5/1(1)/2019/D(NS) dated June 3, 2025 conveyed approval of competent authority for entrustment of additional charge of the post of Director (Finance) to Dr. S. V. S. Narayana Murty, Chairman and Managing Director (DIN: 11065319) for an initial period three (3) months with effect from June 1, 2025 or till regular incumbent joins the post or until further orders, whichever is the earliest.

Ministry of Defence, Department of Defence Production vide Letter No. F. No. 5/1(1)/2024/D(NS) dated July 17, 2025 conveyed approval of competent authority to appoint Smt. Madhubala Kalluri (DIN:11202794) as Director (Finance) of the Company with effect date of assumption of Charge of post till August 31, 2027 (date of superannuation) or untill further orders by Ministry of Defence whichever is earliest. Smt. Madhubala Kalluri assumed Charge as Director (Finance) of the Company w.e.f. July 21, 2025. The Board at its Meeting held on August 13, 2025 designated Smt. Madhubala Kalluri as Chief Financial Officer i.e. Key Managerial Personnel under Section 203 of the Companies Act, 2013 till such time she holds office as Director (Finance) of the Company. The appointment of Smt. Madhubala Kalluri is subject to approval of Members at their ensuing Annual General Meeting.

Department of Defence Production, Ministry of Defence vide letter no. F.No. 5/1(2)/2020/D(NS) dated June 19, 2025 conveyed approval of competent authority for entrustment of additional charge of the post of Director (Production & Marketing) to Dr. S. V. S. Narayana Murty, Chairman and Managing Director (DIN: 11065319) for an initial period three (3) months with effect from July 1, 2025 respectively or till regular incumbent joins the post or until further orders, whichever is the earliest.

29.4 Dr. S. V. S. Narayana Murty, Chairman and Managing Director (DIN: 11065319) would retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible has offered himself for re-appointment.

29.5 The Notice of the 51st Annual General Meeting (AGM) provides a brief resume, expertise, directorship details in other companies, and shareholding information of the Director(s) proposed for appointment/re-appointment at the AGM, in accordance with Secretarial Standard-2 and Regulation 36 of the SEBI Listing Regulations.

29.6 Performance Evaluation: Being a Government Company, the appointment/ re-appointment of Independent Directors is done by the President of India through the Administrative Ministry. The evaluation of Independent Directors' performance and their compliance with the Independence criteria specified in the SEBI Listing Regulations is conducted by the Government of India through its internal processes.

30. REMUNERATION POLICY:

30.1 MIDHANI is a Government of India owned Public Sector Enterprise under the administrative control of the Ministry of Defence. The Directors of the Company are appointed by the President of India and their remuneration is determined in accordance with the Guidelines issued by DPE. As per Article 67 of MIDHANI's Articles of Association, the President of India is Competent Authority for appointing Directors and deciding their remuneration. Given that these appointments are made by the President of India, the evaluation of the performance of these appointees is also conducted by the Government of India.

30.2 The terms and condition of payment of sitting fees to Independent Directors and Govt. Nominee Director is available on the Company's website at <https://midhani-india.in/policies/>.

30.3 Further, provisions of Section 178(2), (3) and (4) are not applicable on Company vide Ministry of Corporate Affairs notification dated June 5, 2015.

31. DECLARATION AND MEETING OF INDEPENDENT DIRECTORS:

31.1 The Independent Directors of the Company have affirmed their compliance with the independence criteria outlined in both the Companies Act, 2013 and SEBI Listing Regulations. Additionally, they have fulfilled the requirements specified

in Rule 6, Sub-rule 1 & 2 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

31.2 The Independent Directors have provided confirmation of their adherence to the “Code of Business Conduct and Ethics for Board Members and Senior Management” of the Company.

31.3 During FY 2024-25, one (1) meeting of the Independent Directors was conducted on December 23, 2024, in accordance with the provisions of the Companies Act, 2013, and SEBI Listing Regulations.

32. DIRECTORS' RESPONSIBILITY STATEMENT:

32.1 Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

- a. in the preparation of the Annual Accounts for the financial year ended March 31, 2025, the applicable Indian Accounting Standards (Ind AS) have been followed along with proper explanations on the material departures;
- b. the Directors have such Accounting Policies have been selected and applied consistently and judgments and estimate have been made; that were 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 i.e. March 31, 2025; and of the Profit of the Company for the year ending on March 31, 2025;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, as amended from time to time, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the accounts for the financial year ended on March 31, 2025 on a 'going concern' basis;
- e. the Directors have laid down proper internal financial controls in place and that such internal controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

33. AUDITORS:

33.1 Statutory Auditors: Comptroller and Auditor General (C&AG) of India appointed M/s Anjaneyulu & Co, Chartered Accountants, Hyderabad, [Firm Registration No. 000180S] as Statutory Auditors of the Company for conducting audit of accounts for the year ended March 31, 2025. The Report of Statutory Auditors on the Financial Statements for the financial year ended on March 31, 2025, is an unmodified opinion i.e., it does not contain any qualification, reservation or adverse remark.

33.2 Cost Auditor: Your Company is required to maintain cost records as specified by Central Government under section 148(1) of the Companies Act, 2013. Your Company appointed BVR & Associates, Cost Accountants, Hyderabad, [Firm Registration No 000453] as Cost Auditors for the FY 2024- 25 in terms of Section 148 of Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014.

33.3 Secretarial Auditor: In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your Company appointed D. Hanumanta Raju & Co, Company Secretaries Hyderabad as Secretarial Auditors of the Company for the FY 2024-25. The Secretarial Audit Report forms part of Annual Report as **Annexure – VIII** along with management's reply to the observations therein.

33.4 Internal Auditor: Your Company engaged Sagar & Associates. [Firm Registration No. 003510S] to conduct Internal Audit for FY 2024-25.

34. COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA:

The 'Nil' Comments certificate on the Accounts issued by the Comptroller and Auditor General of India for the year ended March 31, 2025 is placed in Annual Report after Statutory Auditors Report.

35. DISCLOSURES UNDER COMPANIES ACT, 2013:

35.1 Borrowings and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed.

35.2 Particulars of loans given, investments made, guarantees / securities given: The details of investments made and loans/ guarantees/securities given, as applicable, are given in Notes No. 6, 7 and 14 of the Annual Financial Statements.

35.3 Board Meetings: During the financial year ended on March 31, 2025, the Board met eight (8) times on May 17, 2024, May 29, 2024, July 19, 2024, August 9, 2024, November 13, 2024, December 30, 2024, February 4, 2025 and March 19, 2025. For further details of these meetings, Members may please refer 'Report on Corporate Governance' which forms part of this Annual Report.

35.4 Board Committees: For details regarding Board Committee's, Members may please refer 'Report on Corporate Governance' which forms part of this Annual Report.

35.5 Secretarial Standards: Your Directors state that the Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

36. GENERAL AFFIRMATIONS AND DISCLOSURES:

36.1 Your Directors' state that no disclosure is required in respect of the following matters, as there were no transactions/ events in relation thereto, during the year under review:

- a) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

36.2 Your Directors further state that:

- a) there was no change in the share capital of the Company during the year under review.
- b) no material changes/commitments of the Company have occurred after the end of the FY 2024-25 and till the date of this report, which affect the financial position of your Company.
- c) no significant or material orders were passed by the Regulators or Courts or Tribunals which

impact the 'going concern' status and Company's operations in future.

- d) during the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal or other court(s).
- e) The Company has complied with the provisions relating to the constitution of Internal Complaints Committees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. ACKNOWLEDGEMENT:

37.1 The Board of Directors wishes to extend its deepest gratitude for the unwavering support and cooperation received from various Government agencies. We acknowledge the Ministry of Defence, establishments under DRDO, and other Central and State Government agencies for their invaluable assistance.

37.2 The Board also sincerely appreciates the continuous support from our customers, vendors, bankers, the C&AG, statutory and internal auditors, the Chairperson of the Audit Committee, the Chairpersons of other sub-committees of the Board, as well as our advisers, consultants, and stakeholders. Your guidance and partnership have been instrumental to our progress throughout the year.

37.3 The Board extends its sincere gratitude to all employees of the Company for their outstanding contributions and unwavering cooperation. Your dedication and hard work have been key to our collective achievements.

37.4 Lastly, the Board extends its profound gratitude to our shareholders and investors for their steadfast trust and confidence in the Company. We look forward to your continued support, which will undoubtedly drive the Company towards even greater success in the future.

For and on behalf of the Board of Directors

Sd/-

Dr. S. V. S. Narayana Murty

Chairman & Managing Director

Place: Hyderabad

Date : August 13, 2025

DIN: 11065319

Report on Corporate Governance

MIDHANI's philosophy on code of Corporate Governance

Mishra Dhatu Nigam Limited (MIDHANI) is a Mini-Ratna Category – 1, Public Sector Undertaking (PSU) under administrative control of Ministry of Defence (MoD) upholds the highest standards of Corporate Governance. As a responsible corporate citizen, MIDHANI's Corporate Governance philosophy is anchored in principles of honesty, integrity, accountability, adequate disclosures, legal compliances, transparency in decision making and avoiding conflicts of interest. MIDHANI consistently strives to transcend beyond the basic requirements of Corporate Governance and focuses consistently towards the interests of individuals, organization and society at large.

The Company is committed to protecting and facilitating the rights of its shareholders by providing timely information to them and ensuring their equitable treatment. Company also ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

MIDHANI being a public sector listed Company adheres to Corporate Governance requirements for listed entities enunciated by Department of Public Enterprises and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. MIDHANI has a strong administrative set up to facilitate decentralized and transparent decision making. For effective implementation, the following major good governance practices are followed and have been put in place:

Code of Conduct for Board of Directors and Senior Management.

Code of Conduct for Prevention of Insider Trading and Fair disclosure of Unpublished Price Sensitive Information.

Conduct, Discipline and Appeal Rules for Employees.

To ensure transparency and Integrity in all contracts, MIDHANI is signing "Integrity Pact" with respective bidders in all high value procurement tenders.

Anti-Bribery Policy.

Implementation of Right to Information Act, 2005 and MIDHANI's website is updated on continuous basis for stakeholders awareness about various news and developments.

Preventive Vigilance has been the thrust area of the Vigilance department and Vigilance department examines major procurements/contracts, conducts regular and surprise inspections. MIDHANI's vigilance set up is headed by a Chief Vigilance Officer.

A report on Corporate Governance in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and guidelines enunciated by the Department of Public Enterprises (DPE), Govt. of India, on Corporate Governance is outlined below.

Board of Directors

Composition of the Board

As on March 31, 2025, the Board of MIDHANI comprised of four (4) Directors, including Two (2) Executive Directors, One (1) Non- Independent Non-Executive and One (1) Independent Director (Woman Independent Director) which was not in accordance with Regulation 17(1)(b) & 17(1)(c) of SEBI Listing Regulations, which provides that, where listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors. The Regulation 17(1)(c) provides that, the Board of Directors of listed entity shall comprise of atleast six (6) Directors.

MIDHANI being a Govt. Company and in accordance with Articles of Association, the Board of Directors has no authority to appoint Directors on the Board of MIDHANI. The authority for appointment of Directors on the Board vests with 'The President of India' acting through Administrative Ministry i.e. Ministry of Defence (MoD). As on March 31, 2025, the position for three (3) Independent and one (1) Executive Directors remains vacant. MIDHANI will continue to be non-compliant with Regulation 17(1)(b) & 17(1)(c) of SEBI Listing Regulations till such time Administrative Authority appoints three (3) Independent Directors on the Board of MIDHANI.

During the financial year ended on March 31, 2025 the following appointment/re-employment of Directors were observed:

Department of Defence Production, Ministry of Defence vide letter No. 5/1(2)/2018/D(NS) dated February 26, 2024 conveyed the approval of competent authority for re-employment of Dr. Sanjay Kumar Jha as Chairman & Managing Director of MIDHANI (DIN: 07533036) on contract basis for a period of Ten (10) months beyond the

age of his superannuation i.e. w.e.f. March 1, 2024 upto December 31, 2024 or till regular incumbent joins the post or until further orders, whichever is the earliest. In accordance with Regulation 17(1C) of the SEBI Listing Regulations, Members of Company accorded their approval at 50th Annual General Meeting for re-employment of Dr. Sanjay Kumar Jha as Chairman & Managing Director. The tenure of Dr. Sanjay Kumar Jha as Chairman & Managing Director ended w.e.f. January 1, 2025.

Department of Defence Production, Ministry of Defence vide letter No. 8 (32)/2019- D (Coord/DDP) dated December 10, 2024 conveyed appointment of Shri Amit Satija (DIN:08989543) Joint Secretary (Defence Industries Promotion) as Govt. Nominee Director in place of Shri Shalabh Tyagi (Joint Secretary – Personnel & Co-ordination) DIN: 10042888) with effect from December 10, 2024.

The tenure of Shri Valluri Chakrapani (DIN: 00867270) as Independent Director of MIDHANI ended w.e.f. December 24, 2024.

Department of Defence Production, Ministry of Defence vide letter No. 5/1 (2)/2018/D(NS) dated December 19, 2024 conveyed entrustment of Additional Charge of Chairman & Managing Director's post to Shri Gowri Sankara Rao Naramsetti, Director (Finance) & CFO (DIN: 08925899) for a period of three months or until further or till regular incumbent joins the post. He held additional charge as Chairman & Managing Director from January 1, 2025 till April 27, 2025.

The composition of the Board of Directors as on March 31, 2025, was as follows:

Name of Director	Date of appointment	Relationship between Directors, inter-se	DIN
EXECUTIVE DIRECTOR(S)/ FUNCTIONAL DIRECTOR(S)			
Shri Gowri Sankara Rao Naramsetti Director (Finance), Chief Financial Officer & Additional Charge of Chairman and Managing Director	October 27, 2020	None	08925899
Shri Thulasiraman Muthukumar, Director (Production & Marketing)	June 23, 2022	None	09636771
GOVERNMENT NOMINEE DIRECTOR			
Shri Amit Satija Joint Secretary (DIP), Department of Defence Production, Ministry of Defence	December 10, 2024	None	08989543
NON-EXECUTIVE – INDEPENDENT DIRECTOR			
Smt. V. T. Rema	April 5, 2022	None	09561611

Key Board expertise and skills

The Directors of your Company are appointed by the President of India acting through the Department of Defence Production, Ministry of Defence, which is in line with Articles of Association of MIDHANI. The selection of Directors on the Board of MIDHANI is done through a meticulous screening process adopted by the Government of India.

The Directors hold qualifications, and possess requisite skills, expertise, competence, experience in corporate management, finance, economics and other allied fields, which enable them to contribute effectively to the Company. Following are skills/ expertise/competencies of the Board for its effective functioning.

Industry specific

- Knowledge of products manufactured by Company.
- Reforms in technological aspects of Metallurgy Industry.
- Understanding laws, rules and regulations specific to a Defence PSU.

Management skills

- General Management skill.
- Understanding of micro and macro factors affecting the industry.
- Risk Management.
- Assessment and evaluation of project viability.

Corporate Governance

- Protecting stakeholders' interest.
- Observing appropriate governance practices.
- Contribute towards streamlining integrity and good corporate practices across organization.

All Directors on Board of MIDHANI possess the skills/ expertise/ competencies to the extent to facilitate smooth functioning of your Company.

None of the Directors serve as Independent Director in more than seven listed companies or serve as Independent Director in more than three listed companies in case he/she serves as Whole-time Director in a listed Company. During the FY 2024-25, no Independent Director resigned before the expiry of his/her tenure.

Further, none of our Independent Director serve as Non-Independent Director of any Company on the Board of which any of our Non-Independent Director is an Independent Director.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

Dr. S. V. S. Narayana Murty (DIN: 11065319) is liable to retire by rotation at the 51st Annual General Meeting scheduled to be held on September 30, 2025 and being eligible, has offered himself for re-appointment.

The brief resume and other requisite details of the Director proposed to be re-appointed are provided in Notice of 51st Annual General Meeting.

CEO & CFO Certificate

In accordance with the provisions of Regulation 17(8) of SEBI Listing Regulations, certificate of Chairman & Managing Director and Chief Financial Officer in relation to the Financial Statements for the year ended March 31, 2025, forms part of this Annual Report as **Annexure – IX**.

Certificate on Non- disqualification of Directors

None of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors by SEBI/ Ministry of Corporate Affairs or any other statutory authority. The certificate of Puttaparthi Jagannatham & Co., Practicing Company Secretaries, certifying the same, forms part of this Annual Report as **Annexure – X**.

Directors' attendance and Directorships held

The Board met eight (8) times during the financial year ended March 31, 2025. The average attendance of Directors for all the Board Meetings during the financial year was 97.91%, details thereof are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present	No. of Independent Directors Present
17.05.2024	6	6	2 out of 2
29.05.2024	6	6	2 out of 2
19.07.2024	6	5	2 out of 2
09.08.2024	6	6	2 out of 2
13.11.2024	6	6	2 out of 2
30.12.2024	5	5	1 out of 1
04.02.2025	4	4	1 out of 1
19.03.2025	4	4	1 out of 1

Details of Directors' attendance at the Board Meetings and Annual General Meeting as on March 31, 2025 along with name(s) of listed companies and category of directorship held, are as follows:

Name of Director	No. of Meetings attended during FY 2024-25	Attendance at last Annual General Meeting held on 30.09.2024	No. of other Directorships held*	Committee positions held in other companies ^a		Directorships held in other listed companies and category
				Chairperson	Member ^b	
Dr. Sanjay Kumar Jha [@]	6	Yes	Not Applicable (NA)	None	None	None
Shri Gowri Sankara Rao Naramsetti	8	Yes	2	None	1	None
Shri Valluri Chakrapani*	5	Yes	NA	None	None	None

Name of Director	No. of Meetings attended during FY 2024-25	Attendance at last Annual General Meeting held on 30.09.2024	No. of other Directorships held [^]	Committee positions held in other companies ^{&}		Directorships held in other listed companies and category
				Chairperson	Member [%]	
Smt V. T. Rema	8	Yes	1	1	1	None
Shri Thulasiraman Muthukumar	8	Yes	2	None	2	None
[#] Shri Shalabh Tyagi	4	Yes	NA	None	None	None
[§] Shri Amit Satija	3	Not applicable	4	None	None	1

[^]Includes directorship in all public limited companies (whether listed or not), including MIDHANI, but excluding Private companies, Section 8 companies and foreign companies.

[&]Only Audit Committee and Stakeholders' Relationship Committee are considered, including committee position held in MIDHANI.

[%]Does not include chairmanships.

[@]Tenure as Chairman & Managing Director ended w.e.f. January 1, 2025

^{*}Tenure as Independent Director ended w.e.f. December 24, 2024.

[#]Ceased as Government Nominee Director w.e.f. December 10, 2024.

[§]Appointed as Government Nominee Director w.e.f. December 10, 2024.

During FY 2024-25, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Board Methodology

Detailed agenda notes setting out the business(es) to be transacted at the Board/Committee meeting(s) are supplied in advance, and decisions are taken after due deliberations. In case of practical difficulty to forward the relevant document(s) with the agenda papers, the same are circulated before the meeting or placed at the meeting.

During FY 2024-25, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, was placed before the Board for its consideration. The Directors were provided with an option to join the Meeting through video conferencing, as and when desired by them to attend/participate in Board/Committee Meeting. Further, quorum of Board was throughout the Meeting was compliant in terms of Section 174 of Companies Act, 2013.

The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

Independent Directors' meeting

In accordance with the requirements of Schedule IV to the Companies Act, 2013, Secretarial Standard-1 on Board Meetings ('SS-1') and SEBI Listing Regulations, a meeting of Independent Directors was held on December 23, 2024 to discuss, inter-alia, performance of the Board, its committees, and assessment of flow of information from management to the Board.

Appointment and Remuneration of Executive Directors/ Functional Directors, Non-executive Director and Independent Directors

Appointment and remuneration to Functional Directors

The Articles of Association of the Company provide that Directors shall be appointed by the President of India. The terms and conditions of appointment of a Director are issued by Govt. of India acting through Ministry of Defence (MoD). The Functional Directors are generally appointed for a period of five years with effect from date of assumption of charge of the post or till the date of his/ her superannuation or until further orders by MoD whichever is earlier. The Functional Directors are also entitled to performance-related pay in accordance with DPE guidelines. The notice period in case of leaving service before the contractual term is 3 months or in the absence of notice period, 3 months' pay has to be remitted.

The details of remunerations paid to Functional Directors paid during FY 2024-25:

(Figures in ₹)

Date of Board Meeting	Salary & Allowances	Perquisites	Retirement benefits (Pension/ Gratuity)	Performance related pay during FY 2024-25 (pertaining to profits for FY23-24)
Dr. Sanjay Kumar Jha	44,91,162	-	29,36,107	21,66,713
Shri Gowri Sankara Rao Naramsetti	47,04,446	-	6,29,208	13,90,402
Shri Thulasiraman Muthukumar	61,49,905	-	8,22,522	13,71,114

Appointment and remuneration to Non-Executive Independent Directors

The appointment of Non-executive Independent Directors is under the purview of Govt. of India. The Non-executive Independent Directors are paid sitting fees @₹ 20,000/- per meeting, for attending meetings of Board and @₹ 15,000/- for attending each meeting of its committees thereof. The Independent Directors are reimbursed travelling cost, accommodation cost etc. for attending meetings. The criteria for making payments to Non-Executive Independent Directors of the Company are disclosed on the Company's website at <https://midhani-india.in/policies/>.

The details of sitting fees paid to Shri Valluri Chakrapani and Smt. V. T. Rema (Independent Directors), during the financial year ended on March 31, 2025, are as under:

Name of Independent Director	Sitting fees (in ₹)	
	For Board Meetings	For Board Committee Meetings
Shri Valluri Chakrapani	1,00,000	2,70,000
Smt. V. T. Rema	1,60,000	1,35,000

Appointment and remuneration to Non-Executive - Government Nominee Director

The Government Nominee Director is appointed by the President of India and he/she holds the office till further orders from the Government. They are not entitled to any remuneration or sitting fees. As on March 31, 2025, your Company has one Government Nominee Director i.e., Shri Amit Satija- JS (DIP).

Board Committees

MIDHANI has the following active Board level Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility and Sustainable Development Committee
- Procurement Committee
- Human Resources Committee; and
- Share Certificate Committee

MIDHANI has one apex internal committee called Corporate Management Committee.

a) Audit Committee (AC):

As on March 31, 2025, Board of MIDHANI did not have requisite no. of Independent Director to constitute Audit Committee. During FY 2024-25, three (3) meetings of Audit Committee were held on May 29, 2024, August 09, 2024 and November 11, 2024.

Due to vacancies of Independent Directors on the Board of MIDHANI, the Board of Directors suspended Audit Committee w.e.f. December 24, 2024 till such time requisite no.'s of Independent Directors are appointed by Ministry of Defence.

The Committee composition and details of Meetings are as below:

Name	Category	Position in Committee	No. of Meetings entitled to attend	No. of Meetings attended
^{&} Shri Valluri Chakrapani	Independent Director	Chairman	3	3
Smt. V. T. Rema	Independent Director	Member	3	3
Shri Thulasiraman Muthukumar	Executive Director	Member	3	3

[&]Shri Valluri Chakrapani ceased to be Chairman of Audit Committee w.e.f. December 24, 2024.

Audit Committee acts as a link between the Auditors of the Company and the Board of Directors of the Company. The terms of reference of the Audit Committee are as specified in Section 177 of the Companies Act, 2013 and the rules made thereunder, the SEBI Listing Regulations and the Guidelines on Corporate Governance issued by the DPE. The primary function of the Committee is to assist the Board of Directors in fulfilling its responsibilities by reviewing, the financial reports, systems of internal controls, accounting and legal compliance, and auditing, accounting and financial reporting process.

The Audit Committee reviews reports of the Internal Auditors, Statutory Auditors and discusses their findings, suggestions and other related matters and reviews the major accounting policies followed by your Company. The Audit Committee reviews and recommends to Board the quarterly, half yearly and annual financial statements for their approval. The detailed terms of reference of Audit committee are as follows:

- i) The Audit Committee shall meet at least four times in a year and not more than 120 days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent directors present.
- ii) The Chairman of the Audit Committee shall be present at the Annual General Meeting of the Company to answer shareholder queries.
- iii) The Audit Committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the company. The Finance Director, Head of Internal Audit and a representative of the Statutory Auditors of the Company may be present as invitees for the meetings of the Audit Committee.
- iv) The Audit Committee shall have powers, which should include the following:
 - a) to investigate any activity within its terms of reference;
 - b) to seek information from any employee of the Company;
 - c) to obtain outside legal or other professional advice; and
 - d) to secure attendance of outsiders with relevant expertise, if it considers necessary.
- v) The role of the Audit Committee shall include the following:
 - a) oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - b) make recommendation for appointment, remuneration and terms of appointment of auditors of the Company based on the order of Comptroller & Auditor General of India, being Government Company, as applicable;
 - c) approve payment to statutory auditors for any other services rendered by them;
 - d) review with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to :-
 - i. matters required to be included in the Director's Responsibility Statement to be included in the Board of Directors report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. Modified opinion(s) in the draft audit report.
 - e) Review, with the management, the quarterly financial statements before submission to the Board of Directors for their approval;

- f) Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to our Board of Directors to take up steps in this matter;
- g) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- h) Approve or subsequently modify transactions of the Company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Conduct valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluate Internal Financial Controls and Risk Management Systems;
- l) Review, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
- m) Review the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discuss with Internal Auditors of any significant findings and follow up there on;
- o) Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p) Discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower Mechanism;
- s) Approve the appointment of the Chief Financial Officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of Directors of the Company or specified/provided under the Companies Act, 2013 or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority;
- u) To review the follow up action on the audit observations of the C&AG audit;
- v) Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors.
- w) The Company Secretary acts as Secretary to the Committee;
- x) Chairman of Audit Committee shall be a Nonexecutive Independent Director, who has accounting and related financial management expertise. All members of Audit Committee have good knowledge of accounting and expertise in financial matters. The Committee regularly interacts with the representatives of external audit firms carrying out Internal/ Statutory Audit of the Company and takes stock of all the finance related matters; and
- y) The Chairman of the Audit Committee shall apprise the Board about the observations of the Audit Committee during the Board Meetings. The Minutes of the Audit Committee Meetings shall be placed before the Board of Directors at their subsequent meetings for information.

b) Nomination & Remuneration Committee (NRC)

As on March 31, 2025, Board of MIDHANI did not have requisite no. of Independent Directors to constitute Nomination & Remuneration Committee. During FY 2024- 25, one (1) Meeting of NRC was held on May 16, 2024.

Due to vacancies of Independent Directors on the Board of MIDHANI, the Board of Directors suspended Nomination and Remuneration Committee w.e.f. December 24, 2024 till such time requisite no.'s of Independent Directors are appointed by Administrative Ministry.

The Committee composition and details of Meeting is as below:

Name	Category	Position in Committee	No. of meetings entitled to attend	No. of Meetings attended
*Shri Valluri Chakrapani	Independent Director	Chairman	1	1
Smt. V. T. Rema	Independent Director	Member	1	1
*Shri Shalabh Tyagi	Govt. Nominee Director	Member	1	1
*Shri Amit Satija	Govt. Nominee Director	Member	Not applicable	Not applicable

*Shri Valluri Chakrapani ceased to be Chairman of NRC w.e.f December 24, 2024.

*Ceased as Government Nominee Director w.e.f. December 10, 2024.

*Appointed as Government Nominee Director w.e.f. December 10, 2024.

The terms and reference to Nomination & Remuneration Committee are as follows:

- (i) Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of our Company;
- (ii) Formulation and modification of schemes for providing perks and allowances for officers and nonunionized supervisors;
- (iii) Any new scheme of compensation like medical scheme, pension etc. to officers, non-unionized supervisors and the employees as the case may be;
- (iv) Exercising such other roles assigned to it by the provisions of the SEBI Listing Regulations and any other laws and their amendments from time to time; and
- (v) Company Secretary acts as Secretary to the Committee.

c) Stakeholders Relationship Committee (SRC)

As on March 31, 2025, SRC comprised of One (1) Independent Directors and Two (2) Executive Directors. During FY 2024-25, one (1) Meeting of SRC was held on December 23, 2024.

The Committee composition and details of Meeting is as below:

Name	Category	Position in Committee	No. of meetings entitled to attend	No. of Meetings attended
Smt. V. T. Rema	Independent Director	Chairperson	1	1
*Shri Valluri Chakrapani	Independent Director	Member	1	1
Shri Gowri Sankara Rao Naramsetti	Executive Director	Member	1	1
Shri Thulasiraman Muthukumar	Executive Director	Member	1	1

*Shri Valluri Chakrapani ceased to be Member of SRC w.e.f December 24, 2024.

During the year under review, the status of investor complaints was as follows:

Opening balance	Received	Resolved	Closing Balance
Nil	4	4	Nil

The terms of reference of SRC in accordance with Companies Act 2013 and SEBI Listing Regulations, are as follows:

- (i) Redressal of all securities holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;
- (ii) Giving effect to all transfer/transmission of shares and debentures, dematerialization/ rematerialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(iii) Overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

(iv) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

(v) Company Secretary acts as Secretary to the Committee.

d) Risk Management Committee (RMC)

As on March 31, 2025, RMC comprised of Two (2) Executive Directors, One (1) Independent Director and Two (2) (Non-Board) Members. During FY 2024-25, Two (2) Meetings of RMC were held on September 30, 2024 and March 29, 2025.

The Committee composition and details of Meetings are as below:

Name	Category	Position in Committee	No. of Meetings entitled to attend	No. of Meetings attended
[§] Dr. Sanjay Kumar Jha	Executive Director	Chairman	2	2
[*] Shri Gowri Sankara Rao Naramsetti	Executive Director	Chairman	2	2
[§] Shri Valluri Chakrapani	Independent Director	Member	1	1
[#] Smt. V. T. Rema	Independent Director	Member	1	1
Shri Thulasiraman Muthukumar	Executive Director	Member	2	2
Smt. K. Madhubala	General Manager (Finance & Accounts)	Member	2	2
Shri Sasidharan Palasseri	General Manager (Engineering Services)	Member	2	2

[§]Dr. Sanjay Kumar Jha ceased to be Chairman of RMC w.e.f January 1, 2025.

^{*}Shri Gowri Sankara Rao Naramsetti became Chairman of RMC w.e.f January 1, 2025.

[§]Shri Valluri Chakrapani ceased to be Member of RMC w.e.f December 24, 2024.

[#]Smt. V. T. Rema inducted as Member of RMC w.e.f December 24, 2024.

The terms of reference to RMC are as follows:

- i) To review the Risk Management Policy and associated frameworks, processes and practices of the Company and recommend any proposed changes to the Board for approval;
- ii) To review and assess the quality, integrity and effectiveness of the risk management systems especially Cyber Security measures taken up by the Company and ensure that the risk policies and strategies are effectively managed;
- iii) To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
- iv) To assist the Board in setting risk strategies, policies, frameworks, models and procedures;
- v) To review and assess the nature, role, responsibility and authority of the risk management function within the Company and outline the scope of risk management work;
- vi) To ensure that the Company has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions

and then to activate what is necessary to pro-actively manage these risks, and to decide the Company's appetite or tolerance for risk;

- vii) Identify additional risks, if any and decide risk mitigation plans including risk acceptance;
- viii) The Committee can frame its own guideline for conducting its meetings; and
- ix) Company Secretary shall act as Secretary of the Committee.

e) Corporate Social Responsibility (CSR) Committee & Sustainable Development (SD) Committee (CSR&SD)

The Board of Directors of your Company has approved the Corporate Social Responsibility and Sustainability Policy formulated as per the Section 135 of the Companies Act, 2013 and the rules framed thereunder and the Corporate Social Responsibility & Sustainability Guidelines issued by the DPE. The aforesaid policy is available at the website of company at www.midhani-india.in

As on March 31, 2025, the CSR&SD Committee comprised of Two (2) Executive Directors and One (1) Independent Director. During FY 2024-25, One (1) Meetings of CSR&SD was held on May 16, 2025.

The Committee composition and details of Meetings are as below:

Name	Category	Position in Committee	No. of Meetings entitled to attend	No. of Meetings attended
[§] Dr. Sanjay Kumar Jha	Executive Director	Chairman	1	1
[*] Shri Gowri Sankara Rao Naramsetti	Executive Director	Chairman	1	1
[§] Shri Valluri Chakrapani	Independent Director	Member	1	1
[#] Smt. V. T. Rema	Independent Director	Member	Not Applicable	Not Applicable
Shri Thulasiraman Muthukumar	Executive Director	Member	1	1

[§]Dr. Sanjay Kumar Jha ceased to be Chairman of CSR&SD w.e.f January 1, 2025.

^{*}Shri Gowri Sankara Rao Naramsetti became Chairman of CSR&SD w.e.f January 1, 2025.

[§]Shri Valluri Chakrapani ceased to be Member of CSR&SD w.e.f December 24, 2024.

[#]Smt. V. T. Rema inducted as Member of CSR&SD w.e.f December 24, 2024.

A CSR & SD Committee, chaired by the Chairman & Managing Director, has been constituted to oversee the planning, implementation, and monitoring of the CSR & SD activities of the Company.

The terms of reference of the CSR & SD Committee, inter-alia, includes the following:

- i) Formulation and recommending to the Board the CSR Policy indicating the activities to be undertaken by the Company covered under Schedule VII of the Companies Act, 2013 and adhering to guidelines of DPE.
- ii) To monitor the CSR Policy of the Company from time to time.
- iii) Company Secretary shall act as Secretary of the Committee.

f) Procurement Committee (PC)

The PC was constituted by Board of Directors of the Company on January 22, 2008 for the purposes of authorizing procurement of materials beyond the individual delegated powers of Chairman & Managing Director.

As on March 31, 2025, the PC comprised of two (2) Executive Directors and one (1) Independent Director. During FY 2024-25, eight (8) Meetings of PC were held on May 17, 2024, June 24, 2024, August 09, 2024, October 26, 2024, November 11, 2024, December 23, 2024, February 4, 2025 and March 19, 2025.

The Committee composition and details of Meetings are as below:

Name	Category	Position in Committee	No. of Meetings entitled to attend	No. of Meetings attended
[§] Dr. Sanjay Kumar Jha	Executive Director	Chairman	6	6
*Shri Gowri Sankara Rao Naramsetti	Executive Director	Chairman	8	8
[§] Shri Valluri Chakrapani	Independent Director	Member	6	6
[#] Smt. V. T. Rema	Independent Director	Member	2	2
Shri Thulasiraman Muthukumar	Executive Director	Member	8	8

[§]Dr. Sanjay Kumar Jha ceased to be Chairman of PC w.e.f January 1, 2025.

*Shri Gowri Sankara Rao Naramsetti became Chairman of PC w.e.f January 1, 2025.

[§]Shri Valluri Chakrapani ceased to be Member of PC w.e.f December 24, 2024.

[#]Smt. V. T. Rema inducted as Member of PC w.e.f December 24, 2024.

The terms of reference of PC are as follows:

- (i) The Committee shall have the powers of Board to deal with all cases of Procurement of Raw Materials, Consumables and other revenue items beyond the delegated powers of Chairman & Managing Director;
- (ii) In respect of Capital items, the Committee shall have full powers of the Board, provided AoN (i.e. Acceptance of Necessity) was approved by the Board, any deviation from the original approvals shall require fresh approval of the Board;
- (iii) To consider and clear the Procurement Proposals beyond the delegated powers of Chairman & Managing Director as per delegation of powers approved by Board, subject to adhering to the due process laid down in the Purchase Policy & Procedures in vogue in the Company;
- (iv) To consider and approve such other Procurement proposals as may be entrusted by the Board from time to time;
- (v) To study and recommend to Board the Policies & Procedures to be followed by the Company in the matter of Procurement of materials and equipment including the recommendation to Board for approval of Purchase manual;
- (vi) To consider and advise Board on matters relating to e-procurement;
- (vii) To consider and advise Board on the matters relating to CVC Guidelines/ MoD instructions; and
- (viii) The C&MD of the Company shall act as Chairman of the Committee and in the absence of the Chairman; the members present may elect the Chairman

and conduct the proceedings. The proposals approved by the Committee shall be put up to Board at its next meeting for information.

(ix) Company Secretary shall act as Secretary of the Committee.

g) Human Resources Committee (HRC)

The HRC was constituted by the Board of Directors on July 22, 2011. HRC is being headed by an Independent Director, the brief roles of HRC is to scrutinize various proposals coming to Board involving HR issues, Personnel policies to be pursued by the Company and such other issues as may be entrusted to it by the Board from time to time.

As on March 31, 2025, HRC comprised of One (1) Independent Director and Two (2) Executive Directors. During FY 2024-25, three (3) Meetings of HRC were held on May 16, 2024, July 18, 2024 and November 11, 2024.

The Committee composition and details of Meetings are as below:

Name	Category	Position in Committee	No. of Meetings entitled to attend	No. of Meetings attended
[§] Shri Valluri Chakrapani	Independent Director	Chairman	3	3
Shri Gowri Sankara Rao Naramsetti	Executive Director	Member	3	3
[#] Smt. V. T. Rema	Independent Director	Chairperson	3	3
Shri Thulasiraman Muthukumar	Executive Director	Member	3	3

[§]Shri Valluri Chakrapani ceased to be Chairman of HRC w.e.f December 24, 2024.

[#]Smt. V. T. Rema became Chairperson of HRC w.e.f December 24, 2024.

The detailed terms of reference of HRC are as follows:

- (i) To review and make suggestions to Board of Directors in respect of Policy matters relating to both Executives (including Non-Unionized Supervisory Cadre) and Non-Executives in respect of the following matters:
- a) Creation /abolition of Posts - fixing optimum manpower strength.
 - b) Changes in the Organization Structure, Designations, allocation of functions.
 - c) Recruitment Rules and Procedure.
 - d) Service conditions like Leaves, TA&DA, Medical, LTC etc.
 - e) Salary / Wage structure - Scales of Pay-Increments and other related matters.
 - f) Perquisites and Allowances, Bonus, Performance and Productivity Related Incentive Schemes.
 - g) Retirement benefits and plans.
 - h) Creation and Maintenance of Provident Fund, Gratuity Fund, Pension Fund etc.
 - i) All Welfare Schemes including Canteen, School, Transport, Awards/ Rewards, Ex-gratia, Gifts and other benefits including facilities to be extended after retirement.
- (ii) j) Maintenance of Town Ship and Estate Matters.
- k) Career Development Plans including Training & Development Programs - Engagement of GETs / MTs and the Schemes relating to them.
- l) Framing up of Conduct, Discipline and Appeal (CDA) Rules and Standing Order as applicable.
- m) Review and make suitable recommendations to Board in respect of Disciplinary proceedings / reports / actions taken and/or to be taken.
- n) Introduction of Voluntary Retirement, Compulsory Retirement and other Separation Schemes.
- o) Vigilance and Security related issues.
- p) Trade Unions, Officers/Supervisors Associations.
- (iii) (ii) Recommending to Board of Directors regarding grant of donations to charitable and other funds on account of natural calamities.
- (iii) The committee shall submit its recommendations to Board for its consideration and approval. The committee can frame its own guidelines for conducting its meeting.

h) Share Certificate Committee (SCC)

SCC was constituted w.e.f. August 8, 2018 for considering the request for Transfer, transmission, de-mat, re-mat of shares and issue of duplicate share certificates and approve the same for complying with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. Company Secretary acts as Secretary to the Committee.

As on March 31, 2025, SCC comprised of three (3) Executive Directors. No Meeting of SCC was held during FY 2024-25.

i) Corporate Management Committee (CMC)

A Committee known as Management Committee (MC) was functioning since the year 1980. During the year 2003 the same was re-constituted as "Corporate Management Committee" (CMC). CMC was constituted for carrying out effective planning, organizing, coordination and control over the day-to-day operations of Management.

CMC plays important role in resolving inter / intra departmental execution delays/bottlenecks and strives to ensure free flow of work at various levels within the organization.

CMC meetings are held under the Chairmanship of C&MD of the Company with the senior level functionaries of the Company i.e. Additional General Manager and above as its members. Company Secretary acts as the Secretary of the Committee.

The terms of reference to CMC, subject to discussions and deliberations at the meeting, inter -alia includes:

- (i) Review of Production/major Projects and Financial Performance and Marketing Operations;
- (ii) Ways and means of improving cash flows in the organization;
- (iii) Employee relations / resolving Personnel grievances;
- (iv) Systems improvements; and
- (v) Improving inter-departmental; inter-functional co-ordination and resolving inter-departmental and intradepartmental bottlenecks, if any.

Senior management:

In terms of Clause 5B of Schedule V of SEBI Listing Regulations, the particulars of Senior Management are provided below:

Key Managerial Personnel:

1. Dr. Sanjay Kumar Jha – Chairman & Managing Director;[§]
2. Shri Gowri Sankara Rao Naramsetti – Director (Finance) & Chief Financial Officer; and
3. Shri Paul Antony – Company Secretary & Compliance Officer.

Notes:

[§]Term ended w.e.f. January 1, 2025

General Managers:

1. Shri Sasidharan Palasseri- General Manager (Engineering Services)
2. Shri A. Ramakrishna Rao- General Manager (Human Resource)*
3. Smt. Madhubala Kalluri- General Manager (Finance & Accounts)
4. Shri Arun Kumar Sharma- General Manager (Technical Services)
5. Shri Anand Kumar Kaluvala- General Manager (P-II & IV)
6. Shri Shashi Kumar Dwivedi - General Manager (P-III.)[%]
7. Shri Babu Padavittan - General Manager (Technical Services)[%]

Notes:

*Retired w.e.f. April 1, 2025.

[%]Promoted as General Manager w.e.f. July 1, 2024

Details are as on March 31, 2025.

Annual General Meetings (AGM)

The details of the last three (3) Annual General Meetings of your Company are given below:

Date & Time	48 th Annual General Meeting held on September 29, 2022 at 11:00 a.m.	49 th Annual General Meeting held on September 29, 2023 at 11:00 a.m.	50 th Annual General Meeting held on September 30, 2024 at 11:00 a.m.
Venue	Through Video Conferencing - Mishra Dhatu Nigam Limited – P.O. Kanchanbagh, Hyderabad - 500058		
Special Resolution(s) passed, if any	None	None	None

Extra-ordinary General Meeting (EGM):

During last three years, i.e. from FY 2022-23 to FY 2024-25 no EGM was held.

Postal Ballot:

During the year ended on March 31, 2025, there were no Resolutions passed through postal ballot.

Other Disclosures in terms of SEBI Listing Regulations & Guidelines on Corporate Governance for Central Public Sector Enterprises:

Related Party Transaction

During the financial year ended on March 31, 2025, all transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations were in the ordinary course of business and on arm's length terms, and they do not attract the provisions of Section 188 of the Companies Act, 2013.

There were also no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. The Audit Committee reviews the statement containing details of every transaction with the related parties, on quarterly basis.

Disclosure of related party transactions as per Ind AS-24, issued by the Institute of Chartered Accountants of India, is given at note no 40 of the Notes forming part of Annual Accounts for FY 2024-25.

Disclosure of certain type of agreements binding listed entities

There is no agreement impacting management or control of the Company or imposing any restriction or creating any liability upon the Company as stated under Schedule III, Para A, Clause 5A of the SEBI Listing Regulations.

Details of Compliance/Non-compliance under SEBI Listing Regulations:

As on March 31, 2025, the Board of MIDHANI comprised of Two (2) Executive Directors, One (1) Independent Director and

One (1) Govt. Nominee Director. During FY 2024-25, MIDHANI also re-constituted statutory Board level Committees in line with applicable Regulations of SEBI Listing Regulations.

Hence as on March 31, 2025, with respect to composition of Board, MIDHANI did not comply with Regulation 17 of SEBI Listing Regulations which provides that, Board of Company should comprise of at least six (6) Directors and at least half of Board of listed entity shall comprise of Independent Director in case where listed entity does not have a regular non-executive chairman. As on March 31, 2025, there exist vacancies of three (3) Independent Directors and one Executive Director on the Board of MIDHANI.

Due to such vacancies, as on March 31, 2025, the Audit Committee and Nomination and Remuneration Committee stood suspended till such time requisite no's of Independent Directors were appointed by Administrative Ministry i.e. Ministry of Defence.

Due to aforementioned non-compliance(s) as on March 31, 2025, MIDHANI was non-compliant with Regulation 17, 18, & 19 of SEBI Listing Regulations and the Stock exchanges have imposed penalties.

The company has sought waiver of fine imposed by Stock Exchanges in accordance with carve out policy and in line with NSE Circular dated March 31, 2023.

As on March 31, 2025 Company has not paid any fine to stock exchanges. Stock Exchanges have not taken any further action apart from levy of penalties as specified in SEBI Circular dated January 22, 2020.

As on March 31, 2025, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, as applicable, except Regulation 17, 18 & 19 of SEBI Listing Regulations.

The Independent Directors have the requisite qualifications and experience which enable them to contribute effectively. Terms and conditions of appointment of Independent Directors are hosted on Company's website viz. <https://midhani-india.in/policies/>

The CEO/CFO certificate in terms of Regulation 17(8) of the SEBI Regulations has been placed before the Board and forms part of Annual Report as **Annexure- IX**. In terms of Part – E of Schedule II of SEBI Listing Regulations, the Company has complied with some of the non-mandatory requirements of the SEBI Listing Regulations on Corporate Governance such as, the head of internal audit of the Company directly reports to Audit Committee and the Auditor's Report on standalone and consolidated financial statement of the Company for Financial Year ended on March 31, 2025 are unqualified.

Training and Evaluation of Directors

The Board members of MIDHANI are senior executives who have a, wide and varied experience in the areas of Education, Industry, Defence, Management, Human Resource Management and Administration.

Presentations are made to the Board members on the Company's performance, Business model, Corporate plan and outlook, on their induction in the Board. In addition, at the Board/ Committee/ other meetings, detailed presentations are made by the senior management personnel/ professionals/consultants on business related issues, risk assessment, risk policy etc. The directors are encouraged to identify and attend specific training programs to improve their effectiveness. The details of Familiarization Program are available on the website of the Company viz. <https://midhani-india.in/policies/>

MIDHANI is a Government of India owned Public Sector Undertaking under administrative control of Ministry of Defence. The Directors of the Company are appointed by the President of India and their remuneration (i.e. in case of functional Directors) is fixed in accordance with the DPE guidelines. Accordingly, Article 67 of the Articles of Association of MIDHANI states that the President of India is empowered to appoint Directors and determine their remuneration. Since the Board level appointments are made by the President of India, the evaluation of performance of such appointees is also done by the Government of India.

Other Affirmations

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement, as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

During the year under review, all the recommendations made by the committees of the Directors have been accepted by the Board of Directors.

There were no items of expenditure included in the Financial Statements which are personal in nature to any Member of the Board or Senior Management of the company except as permitted by the extant rules in force in the Company.

There were no items of expenditure included in the Financial Statements which were incurred not for the purposes of the business. No material changes and commitments, affecting financial position of Company, have occurred between end of the Financial Year of the Company and the date of this Report.

The Administrative and Office Expenses as a percentage of total expenses stood at 2.62% as compared to 2.43% in the previous year and such percentage in respect of financial expenses was 3.18% when compared to 3.56% in the previous year. No extravagancy was found in the Expenditure on the part of the Board Members and Senior Management Personnel.

There has been no change in the nature of business of the Company during the year under report. The Company has complied with all Presidential directives issued by Central Government regarding the operation of PSUs.

Management Discussion and Analysis covering the operations of the Company, forms part of this Annual Report.

Prevention of Sexual Harassment of Women at Workplace

During the year under review, status of complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, was as follows:

Number of Complaints filed during FY-25	Number of Complaints disposed of during of FY-25	Number of Complaints pending as on end of FY - 25
1	Nil	1

Fee paid to Statutory Auditor during FY 2024-25:

(₹ Lakh)

Particulars	Amount
Statutory Audit & Limited Review	11.55
Tax Audit	1.50
Total	13.05

Means of Communication

After consideration and approval by the Board, the quarterly/ half yearly and yearly financial results are submitted and subsequently posted on the websites of the BSE, NSE (stock

exchanges) and same are published on the Company's website viz. <https://midhani-india.in/financial-results/>.

MIDHANI also conducts earnings call with analyst/investor on quarterly/yearly financial results. The transcript and recordings of such earnings calls are available on website of Company and also available on the website of stock exchanges.

In terms with Regulation 47 of SEBI Listing Regulations, the financial results are published in one English national daily, having all India circulation, one Hindi Daily and at least in one local Telugu daily within 48 hours of its adoption. The Annual Report of the Company is posted in the website viz. <https://midhani-india.in/annual-reports/>. The website of the Company also displays all official news releases and investor presentation.

Policies & Code framed

Policy of Materiality of and of dealing with Related party Transactions

The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', the same is hosted on Company's website viz. <https://midhani-india.in/policies/>

Vigilance & Whistle Blower Policy

The company's vigilance set up is headed by a Chief Vigilance Officer. Preventive Vigilance has been the thrust area of the Vigilance department and Vigilance department examines major procurements/contracts, conducts regular and surprise inspections. Company has in place "Whistle Blower Policy" and same is available on the website on the Company at https://midhani-india.in/department_vigilance/whistle-blowerpolicy-document/.

Policy on Material Subsidiaries

Your company does not have any subsidiaries as on March 31, 2025, hence policy on determining material subsidiaries is not yet formulated.

Code of Conduct

The Board of Directors of your Company has formulated a "Code of Business Conduct and Ethics for Board Members and Senior Management" for better Corporate Governance and fair & transparent practices as per Guidelines issued by the Department of Public Enterprises. A copy of the same has been circulated to all concerned and posted on your Company's website. The Board members and senior management personnel to whom the said Code is applicable have affirmed compliance of the same for the year ended March 31, 2025. A declaration to this effect signed by the Chairman & Managing Director of your Company forms part of Annual Report at **Annexure – VI**.

General Shareholders Information

Forthcoming Annual General Meeting

Date	September 30, 2025
Time	11:00 am
Venue	Through Video conferencing in line with General Circular No. 9/2024 dated September 19, 2024 issued by MCA.

Cut-Off date for remote e-voting

The Cut-Off Date for the purpose of remote e-voting and e-voting during the 51st Annual General Meeting will be September 23, 2025.

Financial year

The financial year commence on April 1 of each year till March 31 of next year.

Tentative calendar of Board Meeting for FY 25 is as under:

Results for quarter ending June 30, 2025	On/before August 14, 2025
Results for quarter and half-year ending September 30, 2025	On/before November 14, 2025
Results for quarter ending December 31, 2025	On/before February 14, 2026
Results for the quarter and year ending March 31, 2026	On/before May 30, 2026

Unpaid & Unclaimed Dividend details

Pursuant to the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund ('IEPF') Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the statement furnishing information of unpaid and unclaimed dividend (interim & final) for previous seven years is available on the website of the Company at <https://midhani-india.in/unpaid-unclaimed-dividend-list/>.

Further, no unclaimed dividend from previous years was transferred to the IEPF during FY 2024-25.

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividend which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

The final dividend for FY 2017-18 is due to be transferred to IEPF on November 2, 2025. The shareholders are requested to claim their unpaid/unclaimed dividend at earliest to avoid transfer of dividend/shares in IEPF.

Listing of Equity Shares on Stock Exchanges and Stock Codes

Name of Stock Exchange(s)	Scrip code/ Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	541195
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051	MIDHANI

MIDHANI Equity shares got listed in April, 2018 and as per market capitalization on December 31, 2024 MIDHANI falls under category of top 1000 listed companies.

The ISIN of Equity Shares of the Company is **INE099Z01011**.

The annual listing fees have been paid to both stock exchanges i.e. BSE & NSE for FY 2024-25. The Company has also paid Annual Custodian fees to both the Depositories i.e NSDL and CDSL.

Shareholding pattern as on March 31, 2025

Category	No. of shareholders	No. Equity shares held	% of paid up equity share capital
Promoter & Promoter Group (A)	1	13,86,31,600	74
Public Shareholding (B)			
Mutual Funds	10	1,32,16,893	7.06
Foreign Portfolio Investors	78	30,85,850	1.65
Alternate Investment Funds	2	1,75,045	0.09
Insurance Companies	3	30,79,471	1.64
Bodies Corporate	445	12,26,043	0.65
Non-Resident Indians	2347	7,77,135	0.41
Trusts	6	32,701	0.02
Clearing Members	31	89,511	0.05
HUF	2735	11,79,770	0.63
LLP	52	75,019	0.04
Employees	109	27,620	0.01
NBFCs Registered with RBI	1	2,000	0.00
Individuals	1,51,286	2,57,41,342	13.74
Total Public Shareholding (B)	1,57,105	4,87,08,400	26.00
Total Shareholding (A+B)	1,57,106	18,73,40,000	100

None of the Directors of Company hold shares in Company.

Distribution of shareholding by size as on March 31, 2025

No. of equity shares held	No. of shareholders	% of total shareholders	No. of equity shares held	% of paid up equity share capital
Upto 500	1,47,994	94.20	1,19,85,065	6.40
501-1000	5,077	3.23	39,41,955	2.10
1001-5000	3,515	2.24	72,31,943	3.86
5001-10000	309	0.20	22,42,060	1.20
10001 & above	211	0.13	16,19,38,977	86.44
Total	1,57,106	100	18,73,40,000	100

Commodity risks or foreign exchange risk and hedging activities

Your Company had no exposure to commodity and commodity risks for the FY 2024-25. Further, your Company does not involve in hedging activities. The Company is exposed to foreign exchange exposures related to procurement of materials and services. These procurements are mostly covered under exchange rate variation clause for reimbursement of exchange rate variations arising out of foreign currency fluctuations. Hence, your Company has no direct exposure on this account.

Prohibition of Insider Trading

The Company has adopted 'Code of Conduct to Regulate Monitor and Report Trading by Designated Persons' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations). The Company issues circulars, notifications etc. from time to time to sensitize Designated Persons with PIT Regulations. The Company's Code of practices and processes for disclosure of unpublished price sensitive information is available on Company's website at <https://midhani-india.in/policies/>

Dematerialisation of Shares and Liquidity

The Company's shares are admitted into both the depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As on March 31, 2025, the number of equity shares in electronic form and physical form was as follows:

Particulars	No. of shares	% of paid up equity shares
Demat shares with NSDL	17,22,17,733	91.93
Demat shares with CDSL	1,51,22,267	8.07
Physical shares	-	-
Total no. of shares	18,73,40,000	100

Outstanding GDRs/ADRs/Warrants

There are no outstanding GDRs/ADRs/ Warrants or any convertible instruments as on March 31, 2025.

Credit Ratings obtained during the year

During the year under review, Credit Rating Agency ' CRISIL Ratings Limited' has reaffirmed long term rating at AA-/Stable & short term rating at A1+.

Details of shares held in Unclaimed Suspense Account

There are no outstanding shares lying in the unclaimed suspense account as on March 31, 2025.

Plant Locations (As on March 31, 2025)

City	Address
Hyderabad, Telangana	P.O. Kanchanbagh - 500058
Rohtak, Haryana	Plot No. 8 & 13, Sector 30 A, IMT, Rohtak, Haryana- 124 001

Details of Compliance Officer / Address for Investor correspondence

Shri Paul Antony
Company Secretary & Compliance Officer,
P.O Kanchanbagh, Hyderabad- 500058
Tele-Fax: 040 2418 4515/ 040 2956 8502,
Email: company.secretary@midhani-india.in

Details of IEPF Nodal Officer

Shri Paul Antony
Company Secretary & Compliance Officer
P.O Kanchanbagh, Hyderabad- 500058
Tele-Fax: 040 2418 4515/ 040 2956 8502,
Email: company.secretary@midhani-india.in

Registrar and share transfer agent

Alankit Assignments Limited, 4E/2 Jhandewalan Extension,
New Delhi -110 055, Tel: 011-42541234 / 23541234;
Fax: 011- 42541201
Email: rta@alankit.com

Share Transfer System

The dematerialized shares of the Company are transferable through the depository system. However, the shares held in physical form are processed by the Registrar & Transfer Agent of the Company in coordination with Share Certificate Committee of Company. As on March 31, 2025, no equity shares of the Company were held in physical form.

For **Mishra Dhatu Nigam Limited**

Sd/-

Dr. S. V. S. Narayana Murty

Chairman & Managing Director

DIN: 11065319

Place: Hyderabad

Date: August 13, 2025

Management Discussion and Analysis

1.0 FORWARD LOOKING STATEMENTS:

- 1.1 Certain statements in this report about our business activities may be forward-looking. Statements about financial status, corporate strategy, management goals and future operations are not considered historical facts. Forward-looking statements use language like 'believes', 'estimates', 'anticipates', 'expects', 'intends,' may', 'will', 'plans' and 'outlook' to describe future operational or financial performance. Forward-looking statements depend on assumptions, data and methods that may not be accurate or achievable due to various risks, uncertainties and other important factors. They are not guarantees of future results but rather reflect our current expectations based on reasonable assumptions. We do not intend to update or amend any forward-looking statements based on new information or future events.
- 1.2 The financial statements are prepared using the historical cost convention, on an accrual basis of accounting and by the rules of the Companies Act of 2013 (the "Act"), as well as the Indian Accounting Standards (Ind AS) stipulated in Section 133. We have employed cautious and reasonable assumptions and judgments in our financial statements to accurately depict the year's state of affairs.
- 1.3 The discussion of our financial condition and operations should be read together with our audited consolidated financial statements and notes in the Annual Report.

2.0 Global economic overview¹:

- 2.1 Despite persistent economic hurdles, the global economy maintained a stable trajectory in FY 2024. Alterations in tariff policies, trade dynamics and sustained geo-political unrest continued to hinder growth. The global economy expanded by 3.3% in FY 2024. The US economy achieved a steady growth on the back of robust consumer spending and sustained employability. Conversely, muted growth was noticed in the economies of Europe. Germany, one of the largest economies of Europe faced stagnation during the year. Growth was subdued in China as it grappled with challenges in its property sector. While developed countries grew at 1.8%, emerging and developing economies witnessed a stronger pace of 4.3%.

- 2.2 Inflation eased in many parts of the world. Global headline inflation fell from 6.7% in FY 2023 to 5.8% in FY 2024. This decline was primarily facilitated by lower energy costs and better supply chain conditions in advanced economies. However, heightened levels of inflation persisted in some developing economies, affected by weak currencies and ongoing supply chain challenges.
- 2.3 In addition, the recent implementation of tariffs by the US government and the countermeasures initiated by nations around the world pose considerable threats to the stability of global trade. Positively, advanced economies reached closer to their target inflation rates and many Central Banks gradually lowered interest rates to support growth and enhance credit flow.
- 2.4 Demand for advanced materials, including high-performance alloys, remained strong across aerospace, Defence and critical manufacturing sectors. Global stainless-steel production also witnessed steady growth, driven by expanding urban infrastructure and manufacturing investments. These trends are expected to support sustained demand for specialty materials.

3.0 Outlook:

- 3.1 The outlook for the global economy remains cautiously optimistic. Global GDP is projected to grow at an estimated rate of 2.8% in FY 2025 and 3.0% in FY 2026. This growth is expected to be supported by further easing of inflationary pressures and accommodative fiscal and monetary policies of economies around the world. Global inflation is expected to decline further to around 4.3% in FY 2025.
- 3.2 As inflation goes down and the economy grows, Central Banks are expected to slowly reduce interest rates. The outlook of the Emerging Market and Developing Economies (EMDEs) remains positive with projections estimating a growth of 3.7% in FY 2025 and 3.9% in FY 2026. Further, advanced economies are envisioned to grow at 1.4% in FY 2025 and 1.5% in FY 2026.
- 3.3 The inflation outlook as a whole has improved but there's still some uncertainty. In particular, the effects of recently imposed tariffs on inflation across countries will depend on

¹ <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

whether the tariffs are perceived to be temporary or permanent. The path forward demands clarity and coordination. Countries need to come together to create a stable, reliable trade environment. In addition, stable oil prices and decline in food inflation and accommodative policy support are expected to create an atmosphere conducive to growth.

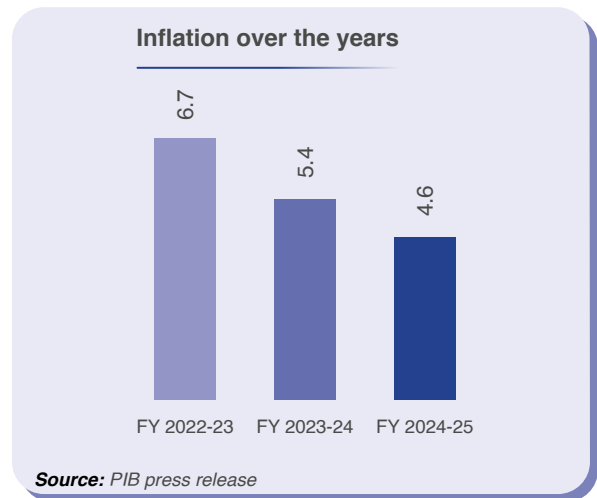
Growth in the Global GDP: Global Economy



4.0 Indian economic overview:

- 4.1 India continued to be one of the best-performing large economies in FY 2024-25, with an estimated GDP growth of 6.5%. This growth was driven by robust growth in private consumption and strong export performance. The growth was further bolstered by strong performance across sectors, such as manufacturing, services and agriculture. Improved agriculture output augmented rural spending, which helped private consumption grow by 7.6% and added 4.3% to the country’s total GDP growth.²
- 4.2 The Government’s sustained focus on infrastructure development, logistics and digital services played a crucial role in stabilising the economy. Further, through the Union Budget, the government has allocated ₹11.11 Lakh crore for capital expenditure, which is 3.4% of India’s GDP.³
- 4.3 Retail inflation witnessed a decline to 4.6% in FY 2024-25, compared to 5.4% in the previous year. However, new tariffs introduced by the United States may lead to higher inflation, as the increased import costs could be passed

on to buyers. In response, India is closely observing the evolving tariff scenario, while calibrating an appropriate response. Meanwhile, the RBI’s recent rate cut is expected to boost liquidity, lowering borrowing costs and enhancing credit flow in the economy.



² <https://www.adb.org/sites/default/files/publication/1044336/asian-development-outlook-april-2025.pdf>

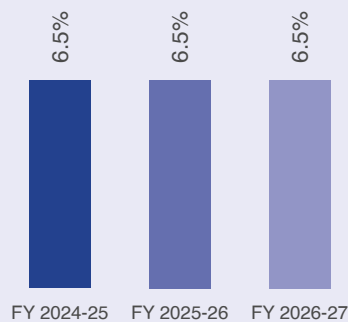
³ <https://pib.gov.in/PressReleasePage.aspx?PRID=2035558>

Outlook

Looking ahead, the outlook for the India's economy remains promising. This growth will be supported by favorable monetary and fiscal policies, higher rural incomes and lower inflation, all of which are likely to increase consumer confidence. The services sector is expected to stay strong and manufacturing is likely to do better with energy costs coming down.

The inflation is expected to ease further to around 4% in FY 2025-26, aided by stable global commodity prices and improved domestic food supply.⁴ Additionally, energy prices are expected to remain relatively low, helping ease input costs across key sectors. Robust foreign reserves, targeted government spending and accommodative policies are expected to drive growth.

India's GDP Growth



Source: PIB press release

5.0 Industry Overview

5.1 Steel industry

Steel utilised both as a foundational raw material and a vital intermediary in various industries. Due to these properties, steel production and consumption serve as crucial indicators of a nation's economic progress. India retained its position as the second-largest producer of crude steel globally. In FY 2024-25 (April to January), the country produced 125.49 million tonnes (MT) of crude steel and 120.43 MT of finished steel. The total crude and finished steel production for FY 2023-24 stood at 144.3 MT and 139.15 MT respectively. This data indicates a sustained year-on-year growth and highlights the resilience and expanding capacity of the industry.

The Indian housing, manufacturing and infrastructure sectors have been witnessing significant growth. This is also impacting the growth of the steel industry positively. India was the second-largest producer of crude steel in FY 2024.

Production and Consumption of Steel over the years

(in million tonnes)

Category	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Crude Production	109.14	103.54	120.29	127.20	144.30	125.49
Finished Steel Production	102.62	96.20	113.60	123.20	139.15	120.43
Finished Steel Consumption	100.17	94.89	105.75	119.89	136.29	125.42

Steel consumption also witnessed a significant elevation. The consumption of finished steel in FY 2024-25 (April to December) reached 125.42 MT, compared to 119.89 MT in FY 2022-23. This growth was primarily facilitated by the heightened demand from sectors, such as construction, automotive, capital goods and infrastructure. In terms of trade, finished steel exports stood at 3994 thousand tonnes, while imports were at 8369 thousand tonnes during April to December FY 2024-25. India, while still a net importer, continues to focus on enhancing self-sufficiency and promoting exports in value-added steel segments.

⁴ <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2120509>

The Indian steel industry is benefitting from strong policy initiatives and financial backing. The Ministry of Steel continues to back Research and Development (R&D) initiatives with heightened collaboration and financial assistance. In January 2025, the Government launched the Production Linked Incentive (PLI) Scheme 1.1 with a financial outlay of INR 6,322 crores to enhance production of specialty steel, reduce imports and promote energy efficiency. This is expected to attract investments and generate employment. Other measures such as the reduction in customs duty on select inputs, export duty on iron ore and initiatives under the National Steel Policy 2017, which targets 300 MT of steel-making capacity by FY 2030-31, are strengthening the foundation of the domestic steel ecosystem.

Driven by strong fundamentals, rising domestic demand and proactive government initiatives, the Indian steel industry is well-positioned to sustain its growth trajectory and emerge as a global leader in specialty and value-added steel production.

5.2 High-performance alloys⁸

High-performance alloys, such as Hastelloy, Inconel, Haynes and Monel are produced by utilising elements like nickel, aluminium and cobalt. These materials are extensively utilised in industries such as aerospace, Defence, electronics, oil and gas and marine, owing to their strength and durability. High temperature tolerance and corrosion resistance positions these alloys as crucial components in aerospace engines and critical components. Further, recent years witnessed heightened utilisation of these alloys in the medical field. Durability and their compatibility with the human body have been the primary facilitators of this growth. High performance alloys are increasingly being preferred by industries which require reliable materials to perform under challenging conditions.

The high-performance alloy industry was valued at USD 10.12 billion globally in CY 2024 and is expected to reach USD 15.65 billion in CY 2032 with an estimated CAGR of 3.65%. This growth is foreseen to be propelled by several factors, such as including a heightened emphasis on the utilisation of high-performance materials in the

automotive, Defence and aerospace sectors. Further, increased application in steam turbines, economies of scale, sustained technological advancements and elevated government spending, particularly in developing countries will serve as crucial tailwinds.

The Asia Pacific region is projected to be the fastest-growing market. The revenue is expected to grow at a CAGR of 5.9%. This growth is expected to be driven by rising automobile production and the expansion of the aerospace sector. Additionally, the growing GDP of emerging economies and the push for indigenous manufacturing are expected to further fuel demand throughout the forecast period. The market is largely dominated by North America on account of high consumption volume of the aerospace industry in the US.

5.3 Defence manufacturing

The Defence market is divided into several segments based on the type of offering. These include air-based, sea-based and land-based Defence equipment. Further, the market encompasses services for maintaining, repairing and overhauling Defence systems.

It also includes support and auxiliary equipment like communication systems, radars and other essential technologies. The global Defence market is expected to grow from USD 573.5 billion in FY 2023 to USD 780.8 billion in FY 2028, followed by a growth at 4.6% CAGR during the period of FY 2028-2033.⁹ Government initiatives, integration of advanced technology, rising security threats and military modernisation are expected to direct this growth. However, challenges like rising cyber-attacks and the impact of a global recession could slow down this growth in the years ahead.

India has one of the largest Defence industrial bases in the world, supported by a robust Research and Development (R&D) ecosystem. India's Defence production has seen notable growth since the launch of the 'Make in India' initiative. In FY 2024-25, Defence exports reached a record ₹23,622 crore.¹⁰ This highlights India's strive towards developing a Defence industry that supports economic growth and augments in self-reliance in the Defence

⁵ <https://www.steel.gov.in/overview-steel-sector>

⁶ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2090683®=3&lang=1>

⁷ <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1519491>

⁸ <https://www.maximizemarketresearch.com/market-report/global-high-performance-alloys-market/26091/>

⁹ <https://www.researchandmarkets.com/reports/5720994/defense-global-market-opportunities-and>

¹⁰ <https://midhani-india.in/r-d/>

sector. Strategic policies have played a key role in driving this progress by promoting private sector involvement, encouraging innovation and supporting the development of advanced military systems. The significant elevation in the Defence budget from ₹ 2.53 Lakh crore in FY 2013-14 to ₹ 6.81 Lakh crore in FY 2025-26 reflects India's resolute approach towards building a more capable and modern Defence infrastructure. Out of this allocation, ₹ 1.8 Lakh crore will be spent on capital outlay on Defence services.¹¹

5.4 Indian Aerospace Industry

The heightened activity of the Defence and civil aviation is facilitating the strong growth of India's aerospace industry. The ascending demand of large aircraft from Indian airlines, along with steady growth in Defence capital spending, is creating new opportunities in the aerospace and Defence industry. With a growing focus on advanced infrastructure and strong government support, the Indian Aerospace and Defence (A&D) market is expected to reach USD 70 billion by 2030.¹² In the Union Budget 2025-26, the aircraft and aero engines segment has been allocated 27% of

the total capital budget, with a 21% YoY increase from ₹ 40,278 crore to ₹ 48,614 crore.¹³ The increased budgetary allocation, coupled with a strong emphasis on indigenous manufacturing, modernisation and export promotion will be the key growth drivers for the Indian aerospace and Defence manufacturing sector.

5.5 Energy sector

The energy and power sector sustained its position as a crucial pillar of India's economic growth. Robust policies, rising demand and heightened integration of renewable resources are providing crucial support to the industry. The Government of India is undertaking measures to improve the power transmission network through the Green Energy Corridor initiative. This initiative is aimed at augmenting the growth of renewable energy across the country. FY 2024-25 witnessed robust capacity additions and infrastructure developments aligned with the country's sustainability goals. As of March 2025, India's total installed power generation capacity stood at 475.21 GW (gigawatt).¹⁴

Source-wise Electricity Installed Capacity Trends

(in GW)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Coal	210.69	211.85	217.58	221.81
Oil & Gas	254.09	25.41	25.62	25.12
Nuclear	6.78	6.78	8.18	8.18
Hydro	46.72	46.85	46.92	47.72
Solar	52.43	62.67	76.27	100.89
Wind	40.35	42.63	45.88	50.03
Bio-power	10.2	9.67	10.35	10.74

Source: NITI Aayog

5.6 Superalloys¹⁵

Superalloys are specially designed materials that can handle extreme heat, pressure and harsh environments. Made from a mix of elements like nickel, cobalt and iron, they offer high strength, thermal stability and strong resistance to damage and corrosion. The crystal structure of superalloys is carefully designed to perform well under extreme conditions.

This makes them essential for aerospace engines, gas turbines and other demanding industrial uses. They are mainly used in parts that need to handle heavy loads and resist heat, oxidation and corrosion. The global superalloys market was valued at USD 6.5 billion in FY 2024 and it is expected to reach USD 10 billion by FY 2033, showing a CAGR of 4.88% during FY 2025-2033.

¹¹ <https://pib.gov.in/PressReleasePage.aspx?PRID=2098485>

¹² <https://aiaindia.com/aerospace/>

¹³ <https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2025/02/aerospace-and-defence-pov-union-budget-2025-26.pdf>

¹⁴ <https://iced.niti.gov.in/energy/electricity/generation/capacity>

¹⁵ <https://www.imarcgroup.com/superalloys-market>

Growth Drivers ▼**Growth in high-temperature industrial applications**

The ascending demand of high-performance components is augmenting the growth of the superalloy market. This demand can be specially noted in the aviation and power sector. Recognised for their strength, heat resistance and durability, superalloys are essential for jet engines and turbines. Industries are increasingly prioritising efficiency and emission reduction and are investing in strong, advanced and future-proof materials. This shift is presenting opportunities to the superalloy market.

Heightened focus on material science research

Material science has witnessed remarkable progress. This progress has turned superalloys from experimental components to industry essentials, particularly in the aerospace, healthcare and oil and gas sectors. The advances in research has enabled these materials to withstand extreme heat, pressure and corrosion, which is ideal for jet engines, implants and drilling. New utilisation opportunities are emerging with each new breakthrough. This is further fuelling innovation and is augmenting market growth.

Significant elevation in military spending

Amid prevailing geo-political uncertainties, governments around the world are reinforcing their defence capabilities. This entails a significant rise in military spending. Superalloys, which are integral to aerospace engines, weapons and other high-performance military gear are experiencing a notable hike in demand. Their strength, heat resistance and durability make them essential for advanced defence technology. With more resources being directed towards defence, the demand for superalloys is foreseen to sustain its upward trend.

5.7 Titanium¹⁶

Titanium is widely recognised for its strength, light weight and resistance to corrosion. Owing to these strengths, it is widely utilised in the production of aircraft components, medical implants and a wide range of industrial equipment.

The global Titanium market size was estimated to be USD 30.34 billion in CY 2024 and it is projected to reach USD 52.52 billion by CY 2032, with a CAGR of 7.10% during the forecast period of CY 2025-32. In addition, with the increasing momentum of civil aviation, the demand for titanium is foreseen to sustain its growth.

Indian Titanium market size was USD 679.1 million in CY 2024 and it is expected to reach USD 1,048.5 million by CY 2033, showing a CAGR of 4.94% during CY 2025-33.¹⁷ India's focus on deep-sea exploration is increasing the demand for titanium. Its corrosion resistance and ability to withstand amplified levels of pressure make it ideal for submersibles, underwater drones and sensor housings used in such environments.

5.8 Speciality alloys

Specialty alloys are advanced materials, specially designed for high-performance utilisation. These are manufactured by combining metals like nickel, titanium and cobalt with chromium and molybdenum. This combination imparts strength, heat and corrosion resistance and durability in extreme conditions. Specialty alloys are predominantly utilised in high temperature and corrosive environments.¹⁸ Industries, such as, aerospace, automotive, energy, medical and Defence widely utilise specialty alloys in their manufacturing processes.

The global speciality alloy market is expected to grow at a CAGR of 6.4% from CY 2024 to CY 2030 to reach a market size of USD 572 million by FY 2030.¹⁹ In addition to their wide-scale utilisation in the aerospace industry, specialty alloys are witnessing heightened utilisation in power generation sector. These alloys are being used in heat exchangers. Overall, the rising demand from various sectors present a positive outlook for the specialty alloys market in the years ahead.

¹⁶ <https://www.datamintelligence.com/research-report/titanium-market>

¹⁷ <https://www.imarigroup.com/india-titanium-market>

¹⁸ <https://www.stratviewresearch.com/3419/specialty-alloys-market.html>

¹⁹ <https://www.qyresearch.com/reports/3111048/specialty-alloys>

6.0 Major strategies and initiatives implemented

Our Strategies	Our Plans	Key initiatives
Capacity Expansion and Modernization	1. Titanium Production Expansion	The Company commissioned a high-capacity Vacuum Arc Remelting (VAR) furnace to increase Titanium production capacity.
	2. Equipment Modernization and Commissioning	The Company sustained its focus on modernizing the facilities, which were installed in 1980s. It has planned an ₹ 60 crore CAPEX for FY 2024-25 with an additional ₹ 100 crore envisioned for the next two years.
Strengthening Product Portfolio and Indigenisation	1. New Alloy Development	MIDHANI developed high-end superalloy Inconel 718 with large diameter (325 mm) and low defect tolerance for aero engines.
	2. Strategic Sector Participation	The Company supplied materials for strategic projects. Developed advanced ultra-supercritical (AUSC) alloys.
Research and Development	1. Strategic Material Research	The Company continued developing superalloys and specialty materials for defence, aerospace and energy sectors.
	2. Alloy and Process Innovation	MIDHANI focused on expanding its casting capabilities, including Titanium castings for naval applications.
Enhancing Workforce Competence and Capacity	1. Employee Skill Development	MIDHANI continues to invest in building technical and managerial competencies through targeted training programmes. These programmes are aimed at upgrading the skills of its employees in order to remain aligned with the evolving industry requirements and shifting demand patterns.
	2. Organisational Capability Building	With expanding operations and entry into new markets, the Company is recruiting talent, strengthening internal capabilities through upskilling and cultivating a high-performance, innovation-driven organisational culture.

7.0 SWOT Analysis:

Strengths: 

MIDHANI has end-to-end capabilities in Titanium and superalloy production, including melting, forging, casting and rolling which gives it a significant technological edge.

The Company successfully developed and commercialized critical alloys like Inconel 718 and continues to supply materials for defence and aerospace programmes.

A skilled R&D team focused on product innovation and strategic material development for critical defence and aerospace programmes strengthens MIDHANI's market position.

Weakness: 

The Company's dependence on imported raw materials exposes it to global supply chain disruptions and price volatility.

Capacity limitations in specific segments, may impact its ability to meet the increasing demand in key markets.

Opportunities: 

Heightened focus on indigenisation by the Indian Government is expected to drive demand for domestically produced strategic materials.

The commissioning of the new high-capacity VAR furnace and sustained modernisation efforts will enable MIDHANI to scale its production and meet the growing demand in sectors like aerospace, energy and defence.

MIDHANI is expanding its export markets, particularly in the aerospace sectors, focusing on high-value specialty alloys.

Threats: 

Global geopolitical tensions and trade restrictions could potentially disrupt supply chains and increase costs of raw materials.

Intense competition in the Titanium and superalloy sectors from both domestic and emerging foreign entrants could pressurise the pricing and market share of the Company.

Review of Operations:

MIDHANI is one of the leading producers of special steel and superalloys. In addition, it is leading manufacturer of Titanium alloy in India.

During the year, the Company achieved a marginal increase in sales turnover compared to the previous fiscal.

During the year under review, the Company invested approximately ₹4,992 Lakh in capital expenditure, which included commissioning of new facilities and capacity expansion. These investments are aimed at bolstering future growth and production capacity.

Manufacturing Locations**Hyderabad**

The Hyderabad plant is equipped with advanced and versatile manufacturing facilities, which enable the production of a wide range of special metals and alloys. These include forged bars and flats, rings, near-net shapes, closed die forgings, hot-rolled bars and sheets, cold-rolled sheets, strips, foils, wires, castings, tubes and fasteners.

Rohtak

MIDHANI has an armour manufacturing unit in Rohtak, where it produces bulletproof vests, vehicle armouring, helicopter armouring and 'MIDHANI Kavach', a lightweight bullet-resistant jacket. The Company has established a nano material plant to

produce Carbon Nano Tubes (CNT), which are used to strengthen Ultra High Molecular Weight Polyethylene (UHMWPE) for making Bhabha Kavach, India's lightest bulletproof jacket.

Manufacturing Facilities

MIDHANI's manufacturing facilities encompass both primary and secondary melting furnaces, such as electric arc furnaces with ladle refining, vacuum induction melting, vacuum arc re-melting, electro slag re-melting and electron beam melting furnaces. Depending on the output, size and form, additional processes are carried out using 6000T/1500T forge presses, ring rolling mills and more. The production process also includes conditioning, heat treatment, machining, pickling and quality control.

Portfolio of Products

Special Alloys (Ferritic, Austenitic, Martensitic, Maraging, Armour Steel).

Super Alloys (Iron/Cobalt/Nickel Based).

Titanium Alloys in the form of melted, forged, rolled and drawn product.

Special Steels and Titanium Alloy grades constitute a major portion of production tonnage.

Key Raw Materials

Titanium

The Company manufactures Titanium alloys, which are widely used in the aerospace and defence industries. These alloys are known for their strong strength-to-weight ratio and excellent resistance to heat and corrosion.

Nickel

The company makes nickel-based superalloys which are used in jet engines components like turbine blades, discs

and combustors. Moreover, this alloy is used in making of biomedical implants.

Cobalt

MIDHANI utilises cobalt to produce alloys such as Stellite, which are utilised in aerospace components, cutting tools and valves.

Tungsten

Tungsten is used by the Company as a raw material to make alloys, including high-performance steels.

Zirconium

Zirconium, due to its high corrosion resistance and low neutron absorption is integral for the manufacturing of nuclear reactor components, such as structural and cladding materials.

Aluminium

Aluminium is a key raw material utilised in the production of various alloys used in aerospace and defence applications.

Copper

Copper is used by the Company to manufacture alloys, brass and bronze, which are further used in musical instruments, marine applications and electrical components.

Research and Development

MIDHANI's Research and Development (R&D) department focuses on innovation, marketing, cost management and the development and improvement of new products.

In FY 2024-25, the Company invested ₹ 2,417.61 Lakh in its R&D efforts. The R&D Division has considerably reduced the Company's dependence on imports and has played a key role in establishing collaborations with premier institutions and universities to develop advanced products.

FINANCIAL PERFORMANCE

13.1 The Summarized financial position for the Financial Year 2024-25 and for the two preceding Financial Years is given below:

(Figures in ₹ Lakh)

Particulars	31-Mar-25	31-Mar-24	31-Mar-23
ASSETS:			
Non-current assets			
Property, Plant and Equipment	1,07,119.42	1,02,777.80	1,01,087.21
Capital work-in-progress	2,508.78	8,305.75	7,964.40
Intangible assets	284.07	373.16	463.00

(Figures in ₹ Lakh)

Particulars	31-Mar-25	31-Mar-24	31-Mar-23
Financial Assets			
(i) Investments	2,483.31	2,210.11	2,210.11
(ii) Loans	-	-	-
Non-current tax assets (Net)	-	-	52.88
Other non-current assets	360.95	195.19	228.77
Total Non-Current Assets (1)	1,12,756.53	1,13,862.01	1,12,006.37
Current assets:			
Inventories	1,28,097.93	1,30,971.81	1,22,484.37
Financial Assets			
(i) Trade receivables	41,031.36	32,300.17	31,579.89
(ii) Cash and cash equivalents	5,101.18	1,661.37	1,441.54
(iii) Other financial assets	2,058.60	1,712.32	922.40
Other current assets	2,370.17	10,063.03	17,925.95
Total Current Assets (2)	1,78,659.87	1,76,708.70	1,74,354.15
Total Assets (1+2)	2,91,416.40	2,90,570.71	2,86,360.52
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18,734.00	18,734.00	18,734.00
Other Equity	1,22,713.93	1,13,210.30	1,09,885.42
Total Equity (1)	1,41,447.93	1,31,944.30	1,28,619.42
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	3,907.88	5,914.13	6,735.67
(ia) Lease Liabilities	8,064.25	8,099.94	8,132.68
(ii) Other Financial Liabilities	109.83	109.83	94.53
Provisions	232.45	207.71	184.60
Deferred tax liabilities (net)	5,184.33	4,467.78	3,957.46
Other non-current liabilities	63,913.32	62,312.67	58,545.29
Total Non-current liabilities (2)	81,412.06	81,112.06	77,650.23
Current Liabilities			
Financial liabilities	19,499.90	26,500.00	31,999.63
(i) Borrowings	3,504.01	2,750.43	1,997.12
(ii) Lease Liabilities			
(iii) Trade payables	554.15	768.39	429.96
(A) Micro Enterprises and Small Enterprises	8,772.44	11,228.91	14,147.74
(B) Other than Micro Enterprises and Small Enterprises	11,424.49	13,079.33	12,191.95
(iii) Other financial liabilities	21,765.35	20,233.92	16,290.18
Other current liabilities	3,036.07	2,953.37	3,034.29
Provisions	68,556.41	77,514.35	80,090.87
Total Current Liabilities (3)	2,91,416.40	2,90,570.71	2,86,360.52
Total Equity and Liabilities (1+2+3)	1,10,103.46	99,194.35	94,263.28
Working Capital	1,45,355.81	1,37,858.43	1,35,355.09
Capital Employed	1,41,447.93	1,31,944.30	1,28,619.42
Net Worth	7.55	7.04	6.87
Net worth per rupee of paid-up capital (₹)			

8.0 MOU 2024-25 PERFORMANCE AND WORKING RESULTS:

8.1 For the FY 2024-25, MIDHANI's MoU performance is expected to qualify for an overall "Good" rating. The rating is subject to evaluation and confirmation by Department of Public Enterprises.

8.2 The performance of your company against various parameters was as under:

S. No.	Name of the Parameter	Unit	Target	Actual
1	Value of Production	₹ In Cr	1,500	1,065.62
2	CAPEX	₹ In Cr	60	49.92
3	Export/Income from Overseas	₹ In Cr	150	94.19
4	Reduction in Total Imports consumed as % of Revenue from Operations over the Previous Year	%	25.52	36.98
5	EBITDA as % of Revenue	%	30.00	22.60
6	Return on Net worth	%	20.38	8.11
7	Asset Turnover Ratio	%	40.31	37.91
8	Acceptance/ Rejection of Goods & Services through the TReDS portal within specified time	%	100	60
9	Procurement from GeM as per approved procurement plan	%	100	100
10	Trade Receivables as number of days of Revenue from Operations	No. of Days	90	139.43
11	Expenditure on R&D/ Innovations Initiatives as % of PBT	%	13.96	15.42

The Total Return to Shareholders (TRS) during FY 2024-25 stood at -30.61%.

$$\text{Total Return to Shareholder} = \frac{(\text{Market cap. at end of FY} - \text{Market cap. at end of Previous FY}) + \text{Dividend Paid} + \text{Dividend/ Interest/ Redemption of Bonus Pref. Shares or Debenture, etc.}}{\text{Market cap. at the end of Previous FY}} \times 100$$

8.3 Your Company has complied with DPE guidelines issued from time to time on CSR expenditure by CPSE's for the FY 2024-25.

8.4 The procurement of goods or services through MSE's was 54.49% of total domestic procurement of goods or services procured by Company during FY 2024-25.

8.5 The procurement of goods or services as % of total domestic procurement of goods and services through SC/ST MSE's and Women MSE's was 1.90% and 3.12% respectively during FY 2024-25.

9.0 Significant highlights of the performance for FY 2025 and its comparison with the previous two years:

(Figures in ₹ Lakh unless otherwise stated)

S. No.	Particulars	2024-25	2023-24	2022-23
1	Sales - To Customers	1,07,410.15	1,07,267.45	87,194.14
2	Sales – Export (Direct)	9,419.32	6,201.20	2,064.70
3	Value of Production	1,06,562.38	1,14,764.49	1,10,026.63
4	Cash Profit	21,952.02	18,951.15	26,955.37
5	Profit Before Tax (Excl. OCI)	15,603.90	13,095.95	21,654.92
6	Net Profit (PAT) (Excl. OCI)	11,006.87	9,126.32	15,587.61
7	Value Added	64,340.23	62,417.24	70,908.96
8	Value added per employee	81.86	81.06	94.42
9	Productivity per employee	135.58	149.04	146.51
10	Value added per direct worker	166.68	161.70	184.18
11	Paid up Capital	18,734.00	18,734.00	18,734.00
12	No. of Employees	786	770	751

10.0 Some of the important financial ratios indicating financial health and working of the Company at the end of last three years are as under:

(Figures in ₹ Lakh)

S. No.	Particulars	2024-25	2023-24	2022-23
A.	Current Ratio	2.61	2.28	2.18
B.	Profitability Ratios			
a)	Profit Before Tax to			
i)	Capital Employed (%)	10.73	9.50	16.00
ii)	Net worth (%)	11.03	9.93	16.84
iii)	Sales (%)	14.53	12.21	24.84
b)	Profit After Tax to Equity (%)	58.75	48.72	83.20
c)	Earnings Per Share (in Rupees)	5.88	4.87	8.32

11.0 The other Key Financial Ratios are as under:

S. No.	Particulars	FY 2024-25	FY 2023-24	Change in % as compared to FY 2023	Detailed explanation for change of 25% or more
1.	Debtors Turnover	2.93	3.36	-12.80%	-
2.	Inventory Turnover	0.72	0.75	-4.00%	-
3.	Interest Coverage	8.45	6.48	30.40%	Increase in Profit Before Tax
4.	Current Ratio	2.61	2.28	14.47%	-
5.	Debt Equity Ratio	0.17	0.25	-32.00%	Repayment of working capital loan and CAPEX Loan.
6.	Operating Profit Margin (%)	11.65	9.42	23.67%	-
7.	Net Profit Margin (%)	10.25	8.51	20.45%	-
8.	Return on Net worth	8.05	7.01	14.84%	-

12.0 Amount available for Appropriation:

In FY 2024-25, the amount available for appropriation was INR 11,006.87 Lakh which increased from INR 9,126.32 Lakh in FY 2024.

13.0 Risks and Risk Analysis:

Risk Type	Risk description	Risk probability and Impact	Risk mitigation
Market risk	A significant portion of MIDHANI's customer base comprises government sector clients, including Defence, Space and PSUs. Any change in government priorities may affect the Company's current and projected strategy.	Medium (M) The high concentration of sales from the Government makes MIDHANI sensitive to policy changes that impact the Defence and Space sectors, directly affecting revenue and business strategy.	MIDHANI has focused on diversifying its product portfolio and expanding into new markets. The Company continues expand its clientele.
Finance Cost	Fluctuations in financial metrics, such as interest rates, liquidity issues and foreign exchange rates, could negatively affect MIDHANI's bottom-line performance.	Medium (M) Heightened borrowing and elevated interest rates have led to increased finance costs, which has impacted profitability.	The Company maintains a strong and healthy balance sheet and carefully diversifies its funds to reduce financial risks and ensure long-term stability.

Risk Type	Risk description	Risk probability and Impact	Risk mitigation
Raw Material risk	MIDHANI's reliance on imported raw materials exposes the Company to risks stemming from fluctuations in global trade policies and material price volatility.	Medium (M) Strained global supply chains and unpredictable raw material costs, exacerbated by geopolitical factors, may disrupt the availability and pricing of key materials like titanium, nickel and cobalt.	MIDHANI has taken proactive steps to ensure a steady supply of raw materials by identifying alternative suppliers and upgrading technologies to enhance the utilisation of domestic resources. Availability and stocks of vital raw materials are closely monitored by the Company.
Change in Government Policies	Alteration in government regulations, particularly in the aerospace and defence sectors, may introduce new compliance requirements or restrictions, impacting operations.	Medium (M) Shifts in regulatory frameworks, especially in defence and aerospace, may require the implementation of high-cost adjustments and could delay or disrupt operations.	MIDHANI constantly monitors policy changes and maintains compliance with all regulations. The Company is also expanding its clientele into non-defence sectors to reduce dependency on defence-related policies

(L: Low, M: Medium, H: High)

14.0 HUMAN RESOURCE DEVELOPMENT:

MIDHANI has a dedicated and skilled team that plays a key role in helping the Company reach its objectives. As of March 31, 2025, the Company employed 786 permanent staff members, including 49 new hires.

The Company offers training programmes that provide continuous learning and development opportunities to its employees. During FY 2024-25, 2,953 person days training was imparted for its employees and Company spent ₹ 21.96 Lakh on training programmes.

15.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

MIDHANI has implemented internal controls that are appropriate for its size and operations. Management conducts internal audits and reviews them to improve the internal control system. The in-house internal audit function, assisted by skilled external audit firms, conducts comprehensive risk-focused audits and regularly evaluates the efficacy of the internal control structure and functions.

The Company has implemented internal financial controls as outlined in the Companies Act of 2013. These have been established at all levels to ensure compliance with internal

control standards, regulatory compliance and accurate financial and operational information recording.

Sagar & Associates, an external audit firm, conducted an internal audit during the reporting year to establish adequate systems and controls. The Audit Committee reviewed these reports. The In-house Internal Audit team conducts frequent audits of processes. Internal audit reports and corrective action are discussed with management and reviewed by the Audit Committee. The Audit Committee evaluates the efficacy of internal controls.

16.0 Cautionary Statement

The Management Discussion and Analysis section of the document may contain forward-looking statements regarding the Company's objectives and predictions, as defined by relevant laws and regulations. It is important to note that the actual results may differ significantly from these statements due to various risks and uncertainties. These risks and uncertainties may arise from economic and political conditions in India, fluctuations in interest rates and exchange rates and the impact of new regulations and government policies on the Company's business and its ability to execute its strategies. The Company does not guarantee the accuracy of these forward-looking statements and does not commit to updating them.

Annexure - I

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

- 1.1. The shares of MIDHANI are listed on BSE Limited and National Stock Exchange of India Limited. As per Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") the top five hundred listed entities based on market capitalization (calculated as on March 31st of every year) need to formulate a dividend distribution policy which shall be disclosed in the company's Annual Report and on its website.
- 1.2. This policy lays down the general parameters for considering and deciding the distribution of dividend to the Company's shareholders and/or retaining of earnings for sustained growth.

2. POLICY FRAME WORK

- 2.1. MIDHANI being a Central Public Sector Enterprise (CPSE) the guidelines on Capital Restructuring issued by Department of Investment and Public Asset Management (DIPAM) are applicable latest guidelines being Office Memorandum vide F.No. 5/2/2016-Policy dated November 18, 2024. (revised/amended from time to time by DIPAM).
- 2.2. The Policy will be implemented by the Company keeping in view the provisions of the SEBI LODR Regulations, the Companies Act 2013 (Act) and also taking into consideration guidelines issued by Securities and Exchange Board of India (SEBI), Department of Public Enterprises (DPE), (DIPAM), Ministry of Defence and other guidelines to the extent applicable to the Company.

3. NON-APPLICABILITY

The policy shall not apply to:

- a) Distribution of dividend in kind i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;
- b) Distribution of cash as an alternative to payment of dividend through Buyback of equity shares.

4. PARAMETERS CONSIDERED WHILE DECLARING DIVIDEND

- 4.1. In pursuance of Section 123 of the Act, no dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation.
- 4.2. Interim dividend will be based on profits of the current year as per unaudited results after providing for depreciation in accordance with law and management estimates of profits for financial year.
- 4.3. The quantum of dividend declared by the Company would depend upon following external and internal factors :-
 - a) The external factors that shall impact the decision to pay dividend will inter-alia include economic environment, market conditions expectation of shareholders, statutory requirements and Government directives as may be applicable from time to time.
 - b) The internal factors that shall be considered for dividend will be profitability of the Company, its net worth, its requirement for funds for its Capital Expenditure towards renewals & replacement/ up-gradation / R&D and expansion (CAPEX), and any other factors as may be identified by the Board that impact the decision to declare dividend.
- 4.4. The Company may endeavour to pay minimum annual dividend as per guidelines issued by DIPAM, subject to maximum dividend permitted under the extant legal provisions.

Provided that Board of Directors after considering factors including but not limited to, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position etc. may seek exemption from DIPAM through Administrative Ministry from declaring minimum dividend or declaring any dividend for Financial Year(s) as the case may be.

5. UTILISATION OF RETAINED EARNINGS

MIDHANI is acutely conscious of the need to plough back adequate profits for its smooth operations and capital investment in order to maintain and improve its market position in the face of emerging new technologies requiring investments to stay abreast of current technologies, competition arising from domestic and foreign industries. The Company has necessarily to invest in upgrading & renewals and replacement of its existing facility and R&D projects. Further, with the growth in revenue, the incremental working capital requirements also will have to be met increasingly from cash and reserves of the Company.

6. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may or may not expect dividend depending upon the circumstances including, but not limited, to the following:-

- a) In the event of inadequacy of profits or whenever the Company has incurred losses;
- b) Whenever the Company undertakes or proposes to undertake significant capital expenditure that impact the retained earnings of the Company substantially;
- c) Whenever the Company proposes to utilise the surplus cash for buyback of securities; and

- d) Any other circumstance/instance which the Board of Directors may consider relevant to the dividend declaration decisions.

7. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

- 7.1. The Company has issued only one class of shares i.e. equity shares with equal voting rights. Hence, all the members of the Company are entitled to receive the same amount of dividend per share.

8. INTERPRETATION & AMENDMENTS

- 8.1. Any term which is used in policy and not defined shall have the same meaning as defined under the Companies Act, 2013, SEBI LODR Regulations and any other applicable statutory regulations/guidelines.
- 8.2. In case of any subsequent changes in the DIPAM Guidelines or provision of SEBI LODR or Companies Act, 2013 or any other applicable laws, the extant amendment would prevail over the Policy and the provisions in the Policy would be modified by Board of Directors in due course to make it consistent with applicable law.

In any circumstance where terms of this Policy differ from any existing or newly enacted law, rule, regulation; the law, rule, regulation will take precedence over this Policy until such time as this Policy is changed to conform to the law, rule, Guideline and regulation.

Annexure - II

MANPOWER POSITION AS ON 31.03.2025

PAY SCALE & GROUP	TOTAL NO. OF EMPLOYEES	SCs	STs	OBC	Different- ly abled	Ex-Ser. men
EXECUTIVES	259	47	15	73	6	3
Group – A						
₹40000-140000 & above						
Group – B	17	0	2	10	0	0
₹30000 - 120000(Grade-I)						
₹29000 – 115000 (E.O.) to						
₹50000 – 160000(E0-III)						
(Jr. Mgr & Non-Unionized Supervisory Cadre)						
NON-EXECUTIVES:	416	81	38	185	5	17
Group – C						
₹ 28950/-						
₹ 28790/-						
₹ 27810/-						
₹ 26830/-						
₹ 25900/-						
₹ 25230/-						
₹ 23750/-						
₹ 22950/-						
₹ 21900/-						
Group – D	94	18	7	44	4	1
₹21000/-						
₹20000/-						
₹19130/-						
₹18000/-						

Note: Excluding Directors

RECRUITMENT OF SCs, STs DURING FY 2024-25

Pay Scales & Group	Total recruited during the year	No. of posts reserved		No. of candidates appointed	
		SC	ST	SC	ST
EXECUTIVES	0	0	0	0	0
Group – A					
₹40000-140000 & above					
Group – B	0	0	0	0	0
₹30000 - 120000(Grade-I)					
₹29000 – 115000 (E.O.) to					
₹50000 – 160000(E0-III)					
(Non-Unionized Supervisory Cadre)					
NON-EXECUTIVES:	30	7	1	7	1
Group – C					
₹ 28950/-					
₹ 28790/-					
₹ 27810/-					
₹ 26830/-					
₹ 25900/-					
₹ 25230/-					
₹ 23750/-					
₹ 22950/-					
₹ 21900/-					
Group – D	19	5	1	5	1
₹21000/-					
₹20000/-					
₹19130/-					
₹18000/-					

Annexure - III

Annual Report on CSR Activities for FY 2024-25

1. Brief outline on CSR Policy of the Company:	<p>The CSR policy of MIDHANI aims at developing company specific social responsibility strategies for long, medium and short term period with built in mechanism for implementation and monitoring towards all-round development of people residing in and around the Company's area of operation.</p> <p>To be a Responsible Corporate Citizen committed to Socio-Economic development through social innovation and to build a better sustainable way of life for the weaker sections of the society through suitable projects and programs.</p> <p>A brief overview of projects/programs undertaken at MIDHANI under its CSR policy is as under:</p> <ul style="list-style-type: none"> (i) Promotion of Health Care and Sanitation (ii) Promotion of Education (iii) Skill Development (iv) Others
2. Composition of CSR Committee as on March 31, 2025:	

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	[§] Dr. Sanjay Kumar Jha	Chairman	1	1
2.	*Shri Gowri Sankara Rao Naramsetti	Chairman	1	1
3.	[§] Shri Valluri Chakrapani	Member	1	1
4.	[#] Smt. V. T. Rema	Member	Not applicable	Not applicable
5.	Shri T. Muthukumar	Member	1	1

Notes:

[§]Dr. Sanjay Kumar Jha ceased to be Chairman of CSR&SD w.e.f January 1, 2025.

*Shri Gowri Sankara Rao Naramsetti became Chairman of CSR&SD w.e.f January 1, 2025.

[§]Shri Valluri Chakrapani ceased to be Member of CSR&SD w.e.f December 24, 2024.

[#]Smt. V. T. Rema inducted as Member of CSR&SD w.e.f December 24, 2024.

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.	The CSR policy and the activities undertaken under the CSR policy of MIDHANI can also be viewed at http://www.midhani-india.in under CSR tab.
4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:	Not applicable

8. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If yes, enter the number of Capital Assets created / acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

(1) Sl. No.	(2) Short particulars of the property or Asset(s) (including complete address and location Of the property)	(3) Pin code of the property or asset(s)	(4) Date of creation	(5) Amount of CSR amount spent	(6) Details of Entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(All the fields should be captured as appearing in the Revenue Record, Flat No., House NO., Municipal Office/Municipal Corporation/Gram Panchayath are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135.

Not Applicable.

Sd/-

Dr. S. V. S. Narayana Murty

DIN: 11065319

(Chairman - CSR Committee)

Sd/-

Shri Gowri Sankara Rao Naramsetti

DIN: 08925899

(Member - CSR Committee)

Date : May 28, 2025

Place : Hyderabad

Annexure - IV

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. CONSERVATION OF ENERGY

Energy conservation has often been referred to as the 'fifth fuel', an Energy Efficiency Measure to mitigating the Green House Gas- GHG emissions to reduce Carbon foot print and towards Net Zero for environmental sustainability.

i. Steps taken or impact on conservation of energy:

- The measures introduced to save energy during the year under report are as follows:

PPA signing concluded with NVVNL for 1MWp Rooftop Solar Plant in RESCO mode on 31st December, 2024. MIDHANI will get energy from this Plant at ₹ 3.97/- per KWh as compared to ₹ 6.65/- per KWh from the grid.

Procurement of 3MVA APFC panel is in pipe line to increase Power Factor from 0.95 to 0.99, which in turns provides saving of ₹ 1 cr. per year. Already installed APFC panels have increased the Power Factor from 0.90 to 0.95.

100% Plant Lighting is replaced with LED Lights. 50% fans are replaced with BLDC fans. Replacement of AC with 5 star rated AC are underway. Total 6 No's of 2-wheeler EV and 4 No's of EV tricycles are procured.

Steps are taken to improve generations and efficiency of 4 MW Solar Plant.

ii. Steps taken by the company for utilizing alternate source of energy:

Company has utilized the solar energy generated by solar power plants during the year under report. During the year, 66,34,256 Mega Joules of energy was consumed from renewable sources.

iii. Capital investment on energy conservation equipment's:

Capital expenditure in technologies to improve the environmental social impact of processes during FY 2024-25 was ₹ 63 Lakh (Approx.).

B. TECHNOLOGY ABSORPTION:

i. The efforts made towards technology absorption

Based on Transfer of Technoogy (TOT), MIDHANI is poised to complete the manufacture of the trial batch, followed by the production batch of weld consumables. Their qualification is expected to be completed in the next financial year.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

Development of new products has helped in savings of valuable foreign exchange as import substitution.

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

MIDHANI has imported technology for development and manufacturing of weld consumable.

iv. The expenditure incurred on Research and Development:

An amount of ₹ 2,417.61 Lakh has been incurred towards R&D Expenditure.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the total foreign exchange earning was ₹ 9,419.32 Lakh and outgo was ₹ 19,464.78 Lakh.

Annexure - V

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No.	Particulars	Information
1.	Corporate Identity Number (CIN) of the Listed Entity	L14292TG1973GOI001660
2.	Name of the Listed Entity	Mishra Dhatu Nigam Limited
3.	Year of incorporation	1973
4.	Registered office address	P.O. Kanchanbagh Hyderabad - 500058
5.	Corporate address	P.O. Kanchanbagh Hyderabad - 500058
6.	E-mail	company.secretary@midhani-india.in
7.	Telephone	040 – 2418 4515
8.	Website	https://midhani-india.in/
9.	Financial year for which reporting is being done	FY 2024-25
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited; and 2. National Stock Exchange of India Limited
11.	Paid-up Capital (in ₹)	187,34,00,000/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Dr. S. V. S. Narayana Murty Chairman & Managing Director 040 2418 4501 cmd@midhani-india.in P.O. Kanchanbagh Hyderabad – 500058
13.	Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

Note: The data for previous year has been rationalised wherever necessary.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Special Metals and Alloys/ Metal and Metal Products	100

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code (5 Digit)	% of total Turnover contributed
1.	Manufacturing of Special Metals and Alloys	24103	40
		24105	30
		24108	15
		24204	10
		24319	5

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	2 (Hyderabad and Rohtak)	3 (Hyderabad, Delhi and Rohtak)	5
International	None	None	0

19. Markets served by the entity: -

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity? - 8.76 %

c. A brief on types of customers :

Our company operates in strategic sectors such as Defence, Space, Aerospace & Energy and is engaged in manufacturing of Special Steels, Superalloys and Titanium alloys. Most of our customers belong to strategic sectors.

IV. Employees**20. Details as at the end of Financial Year:**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	276	238	86.23	38	13.77
2.	Other than Permanent (E)	3	3	100	0	0
3.	Total employees (D + E)	279	241	86.38	38	13.62
WORKERS						
4.	Permanent (F)	510	468	91.76	42	8.24
5.	Other than Permanent (G)	82	77	93.90	5	6.10
6.	Total workers (F + G)	592	545	92.06	47	7.94

Notes:

- 'Permanent Employees' means Executive and Non-Unionized Supervisors (NUS).
- 'Workers' means Non-Executives.
- Other than permanent means Fixed Term Contract Employees/Workers.
- Details of Employees and Workers are excluding Directors.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	6	6	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	6	6	100	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	9	9	100	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	9	9	100	0	0

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	4	1	25
Key Management Personnel (KMP)	1	0	0

Whole time Directors & CFO (who is also a Director) are included in Board of Directors.

KMP includes – Company Secretary & Compliance Officer.

22. Turnover rate for permanent employees and workers:

Particulars	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.10	7.59	8.03	9.68	0	8.44	10.77	3.17	9.92
Permanent Workers	2.89	0	2.64	3.02	2.33	2.95	4.80	6.81	4.98

23. Names of holding / subsidiary / associate companies / joint ventures-

S. No.	Name of the holding / subsidiary / associate companies / joint ventures as on 31 st March, 2025 (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Utkarsha Aluminium Dhatu Nigam Limited	Joint Venture	50	No
2.	Advanced Materials (Defence) Testing Foundation	Joint Venture	20	No

VI. CSR Details

24.

- i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii) Turnover (in ₹) : ₹ 1074,10,14,801.44
- iii) Net worth (in ₹) : ₹ 1414,47,89,336.48

VII. Transparency and Disclosures Compliances

iv) Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) # (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 23- 24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities-	Yes https://pgportal.gov.in/ Public can submit their grievance at CPGRAMS.	5	0	None	7 Centralized Public Grievance Redress and Monitoring System (CPGRMS)	0	None
Investors (other than shareholders)	Yes https://pgportal.gov.in/ Public can submit their grievance at CPGRAMS and also by contacting authorities https://midhani-india.in/grievance-contacts/	0	0	None	0	0	None
Shareholders	Yes https://scores.sebi.gov.in/	4	0	None	1	0	None
Employees and workers	Yes, MIDHANI has internal mechanism for receiving employees & workers grievance and its redressal, which is available offline mode on Intranet Portal.	9	0	None	0	0	None
Customers	Yes https://midhani-india.in/department_marketing/business-enquiries/ all business related enquires/grievance can be addressed mentioned.	0	0	None	15	5	The complaints pending as on March 31, 2024 were resolved during FY 2024-25.
Value Chain Partners	Yes, https://pgportal.gov.in/	4	0	None	0	0	None

v) **Overview of the entity's material responsible business conduct issues:**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified ¹	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emissions	R	Greenhouse gas (GHG) emissions, primarily carbon dioxide and methane, are a major concern in alloy manufacturing due to fossil fuel combustion and industrial processes. Despite technological advancements that have lowered emissions per tonne of steel, the sector remains highly carbon-intensive. These emissions pose regulatory risks and increase operational costs, making environmental compliance a critical challenge for manufacturers.	To address climate impact and regulatory risks, the company has adopted clean energy solutions including clean hydrogen, clean LPG, and solar power installations (4MW ground-mounted and 60KWp rooftop), generating over 3.12 million kWh annually and cutting carbon emissions by 2,500 tons. These initiatives not only reduce greenhouse gas (GHG) emissions but also enhance operational efficiency and help mitigate financial exposure to rising fuel costs and emission-related regulations.	No negative impact reported in the FY 2024-25
2.	Energy Management	R	The business operations of the Company is an energy-intensive process that relies heavily on fossil fuel combustion and electricity sourced from the grid, both of which contribute to significant direct and indirect emissions. The energy-intensive nature of the sector has notable implications for climate change, as the combustion of fossil fuels generates substantial Scope 1 emissions, while electricity consumption results in indirect Scope 2 emissions. Further energy costs form a significant part of operational expenses.	MIDHANI adopts a proactive approach to mitigate energy-related risks and enhance sustainability by investing in renewable energy sources. The company has established ground-mounted and rooftop solar power plants, generating over 31 lakh kWh of energy and reducing its carbon footprint by 2,500 tons. Further to reduce its power factor, provided Automatic Power Factor Controller (APFC) & Dynamic Power Factor Controller (DPFC)	No negative impact reported in the FY 2024-25

¹Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB). This follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022. The latest standards have been accessed at <https://sasb.ifrs.org> on 14th April, 2025 at 11:10 IST

S. No.	Material issue identified ¹	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Waste and Hazardous Materials Management	R	The handling and disposal of operational waste, particularly hazardous waste, pose significant environmental and health risks if not managed responsibly. Improper storage or disposal practices can result in land and water contamination, threatening ecosystems and communities.	The Company has implemented robust waste management systems in line with regulatory frameworks and environmental best practices, earning ISO 14001:2015 certification across its operations, including offices and manufacturing units. To mitigate risks associated with long-term waste disposal impacts, the Company proactively reduces waste, particularly hazardous streams, and focuses on recycling or selling non-hazardous by-products.	No negative impact reported in the FY 2024-25
4.	Employee well-being	O	A high-quality, motivated workforce is essential for MIDHANI to realize mission of achieving self-reliance in the research, development and supply of critical alloys and products of National security and strategic importance. MIDHANI's workforce is instrumental for achieving value creation and excel Corporate Citizenship. MIDHANI is equally committed to providing a safe working environment that empowers employees to excel to the best of their abilities. The company fosters a culture of care and collaboration, grounded in trust and mutual respect, ensuring a respectful workplace for everyone. MIDHANI offers comprehensive social security benefits to employees and their families.	Not Applicable	Positive.

S. No.	Material issue identified ¹	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Supply Chain Management	R	Ensuring the timely procurement of raw materials like iron ore on favourable commercial terms from third-party suppliers is critical. Any delays or failure in this process could hinder the Company's ability to meet the demand and impact overall operational efficiency. Further mineral extraction has significant environmental and social impacts.	To mitigate supply chain risks, the Company should diversify suppliers, maintain buffer stock, use real-time tracking, and establish strong partnerships. Regular supplier assessments, strategic sourcing agreements, and contingency planning further enhance supply chain resilience ensuring they avoid illegal or environmentally damaging activities and uphold social responsibility standards.	No negative impact reported in the FY 2024-25
6	Community Support and Corporate Social Responsibility	O	Building strong community relations is crucial for sustaining trust and fostering long-term social impact. The Company recognizes that community well-being is key to its growth and is committed to actively supporting social development initiatives that contribute to the broader community. MIDHANI's CSR initiatives are focused on Promotion of Health Care and Sanitation, Promotion of Education, Skill Development and are designed in such manner to make a positive impact on quality of life. These initiatives reinforce the Company's commitment to giving back and building positive relationships with stakeholders beyond its business operations.	NA	Positive

Disclosure Questions	P 1 Ethics & Transparency	P 2 Service responsibility	P 3 Human Resources	P 4 Responsive to Stakeholders	P 5 Human Rights	P 6 Restore environment	P 7 Public Policy Advocacy	P 8 Inclusive growth	P 9 Customer Engagement
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001:2018	ISO 45001:2018	ISO 45001:2018 and DPE Guidelines on Human Resource Management	Indian Labour Codes and ISO 9001:2015	DPE Guidelines on Human Resource Management	ISO 14001:2015	-	Public Procurement Policy - MSME	Quality Policy, has ISO/IEC 17025:2017 & ISO 9001: 2015
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	None	None	None	None	None	None	None	None	None
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*The Company has robust policies procedures/practices as well as standard operating procedures in place which are available on the website of the Company and Company's Intranet Portal.

Governance, leadership and oversight:

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:

The global shift towards sustainability has accelerated in the post-pandemic era, with businesses increasingly turning intent into action. MIDHANI, with over five decades of expertise in manufacturing alloys and special metals, has remained committed to responsible growth by ensuring efficient resource management and maintaining a minimal environmental footprint. Its focus on meeting strategic national requirements, rather than mass commercial production, underscores this approach.

Social responsibility has been integral to MIDHANI's ethos, well before it became a statutory requirement under the Companies Act, 2013. The company's CSR initiatives are centered on education, health, and wellness, with the aim of empowering and upskilling communities. Employees are actively encouraged to volunteer in CSR projects, strengthening engagement with local communities and fostering a deeper sense of purpose.

As a Government-owned enterprise, MIDHANI operates under strict oversight from institutions such as the Comptroller and Auditor General of India, the Ministry of Defence, and the Central Vigilance Commission. This ensures the highest standards of transparency, accountability, and governance.

Looking ahead, MIDHANI aspires to act as a catalyst for positive change by building on its achievements and deepening its commitment to sustainability and social impact.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies):

Dr. S.V.S. Narayana Murty
Chairman & Managing Director

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:

Yes, the Company’s Corporate Social Responsibility and Sustainable Development Committee is responsible for sustainability related issues.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and being a Govt. Company, mandates of Department of Public Enterprises/ Administrative Ministry are also applicable and followed by Company. Policies w.r.t. National Guidelines for Responsible Business Conduct (NGRBC) are reviewed periodically or on a need basis by an Executive Committee.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Audits on different subjects such as ISO 14001, ISO 45001, Cyber Security etc. were done. However, no Independent Assessment carried out for evaluation of the working of its Policies.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: **Not Applicable.**

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	0	No trainings were Imparted to Directors on Principles during the year	-
Key Managerial Personnel	0	No trainings were Imparted to KMP on Principles during the year	-
Employees other than BoD and KMPs	65	Corporate Governance, Ethics, Leadership, Vigilance awareness, Safety awareness, measures for well-being	100%
Workers	29	Safety awareness, measures for well-being	100%

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

The Company had no monetary and non-monetary fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, during FY 24-25.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	None	None	Nil	None	None
Settlement	None	None	Nil	None	None
Compounding Fee	None	None	Nil	None	None

Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	None	Nil	None	None
Punishment	None	None	Nil	None	None

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Company has 'zero tolerance' of any practice that may be classified as corruption, bribery or giving or receipt of bribes and the same has been mentioned in its Code of Conduct. The Anti Bribery policy is available on the website of the Company viz. <https://midhani-india.in/policies/>.

MIDHANI is a Govt. Company and its Conduct, Discipline and Appeal (CDA) Rules for executives of the Company clearly brought out disciplinary proceedings in case of bribery or corruptions. MIDHANI also has a Chief Vigilance Officer, who is appointed by Central Vigilance Commission (CVC). MIDHANI also enters into Integrity Pact with suppliers in respect to all procurements exceeding ₹ 40 Lakh, and such procurements are monitored by Independent External Monitor (IEM) who are appointed by CVC. The financials of MIDHANI are also subject to supplementary/ test audit by Comptroller and Auditor General of India.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 24- 25	FY 23- 24
Directors	None	None
KMPs	None	None
Employees	1	None
Workers	None	1

6. Details of complaints with regard to conflict of interest:

None

Particulars	FY 24- 25		FY 23- 24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	-	None	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	None	-	None	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Action taken by law enforcement agencies on cases of corruption:

FY 24-25 & FY 23-24

Action by concerned authorities on cases of corruption as per extant applicable laws, rules, procedures was initiated and same is under progress.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 24- 25	FY 23- 24
Number of days of accounts payables	84.77	82.17

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 24- 25	FY 23- 24
Concentration of Purchases [#]	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	2.4	6.5
	b. Number of dealers / distributors to whom sales are made	4	10
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	2.4	6.5
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales) [®]	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

[#] Trading house has been defined as a business that specialises in facilitating transactions between a home country and foreign countries, but does not include related parties. There are no purchases from Trading houses in FY 2024-25. However, MIDHANI purchase products from Authorised dealer/distributor as a Trading Partner.

[®] Sales (Sales to related parties/Total Sales)[®], Revenue from operations has been considered as disclosed in Note 40 of Audited Standalone Financial Statements for the year ended March 31, 2025.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Two (2)	1. Vendor meet on Indigenization 2. Vendor meet- 2024	45% (Domestic vendors covered under awareness programme)

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, MIDHANI has Code of Business Conduct and Ethics for Board Members and Senior Management, which requires all Directors of the Company and Senior Management to always act in the interest of the Company and ensure that any other business or personal association which they may have does not involve any conflict of interest with the operations of the Company. In case of any actual or potential conflicts of interest, the concerned Director/Senior personnel is required to immediately report such conflicts and seek approvals as required under applicable law and under Company's policies.

The Company receives an annual declaration from its Board of Directors and Senior Management confirming adherence to the Code of Conduct, which inter-alia includes the provisions on dealing with conflict of interest.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 24- 25	FY 23- 24	Details of improvements in environmental and social impacts
R&D	Nil	Nil	-
Capex	Approx. ₹ 63 Lakh (1.26% of total Capex)	Approx. ₹ 145 Lakh (1.84% of total Capex)	<ol style="list-style-type: none"> 1. Provided Variable Frequency Drive (VFD) panel at Melt-IV to reduce the power consumption, thus helping in conservation of natural resources and environment. 2. Scrapped all old company operated vehicles and replaced with BS-VI emission norms vehicles and Electric vehicles. 3. Usage of pure Hydrogen for annealing and Clean LPG in furnaces results in zero carbon emissions, thus helping in conservation of Environment. 4. Old fans, lights replaced with Energy efficient Fans, LED lights in the plant. 5. Tree Plantation was done to increase the greenbelt and planted around 13450 saplings in inside the plant, corporate office, Township, etc. 6. Developed & Maintaining water bodies of about 350000 Sq. meters where in the rain water and treated water gets collected. The water body itself developing its own flora and fauna with migratory birds flocking now.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
- No, MIDHANI being a Govt. Company procures goods and services mostly through tendering process, hence sustainable sourcing stipulators cannot be incorporated in procurement procedures as it may lead to limiting the participation of vendors in tender enquiries. Though such stipulators are not present in procurement procedures as of now, many of our suppliers are already adopting such standards.
- b. If yes, what percentage of inputs were sourced sustainably?
- Not Applicable.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
- The Company does not have any specific product to reclaim at the end of life. However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of manufacturing and operation.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
- EPR is not applicable to MIDHANI.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

MIDHANI did not conduct life cycle perspective of its products as MIDHANI majorly only supplies raw materials in forms of super alloys/ Titanium alloys & special steels. MIDHANI does not manufacture any end products.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable.

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 24- 25	FY 23- 24
Scrap Utilization	24.87%	20.76%

- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

No products are re-claimed at end of life, hence not applicable.

- Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable.

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits ^s		Paternity Benefits ^s		Day Care facilities ^s	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	238	238	100	238	100	Not applicable	-	238	100	0	0
Female	38	38	100	38	100	38	100	Not applicable	-	38	100
Total	276	276	100	276	100	38	100	238	100	38	13.76
Other than Permanent employees											
Male	3	3	100	3	100	Not applicable	-	0	0	0	-
Female	0	0	0	0	0	-	-	-	-	0	-
Total	3	3	100	3	100	-	-	3	0	0	-

^sMaternity, Paternity Benefits and Day Care Facilities are available to all permanent employees, however, other than permanent employees are eligible for Maternity and Day Care facilities.

All employees are covered under Medical Scheme of MIDHANI where, the empaneled hospitals are providing medical attention as per CGHS rates which are borne by the company upto 95% of the total expenses incurred by the employee for in-patient treatment.

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits ^s		Paternity Benefits ^s		Day Care facilities ^s	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	468	468	100	468	100	Not applicable	-	468	100	0	-
Female	42	42	100	42	100	42	42	-	-	42	42
Total	510	510	100	510	100	42	42	468	100	42	42
Other than Permanent workers											
Male	77	77	100	77	100	Not applicable	-	77	0	0	-
Female	5	5	100	5	100	5	100	Not applicable	-	5	100
Total	82	82	100	82	100	5	100	77	0	5	6.09

^sMaternity, Paternity Benefits and Day Care Facilities are available to all permanent workers, however, other than permanent workers are eligible for Maternity and Day Care facilities.

All workers are covered under Medical Scheme of MIDHANI where, the empaneled hospitals are providing medical attention as per CGHS rates which are borne by the company upto 95% of the total expenses incurred by worker for in-patient treatment.

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Particulars	FY 24- 25	FY 23- 24
Cost incurred on well-being measures as a % of total revenue of the company	0.55	0.55

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 24- 25			FY 23- 24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	0	0	Not applicable	0	0	Not applicable
Post Retirement Medical Benefit Scheme	100	100	Yes	100	100	Yes

Note: The retirement benefits are provided to all eligible permanent employees and workers.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, MIDHANI provides conducive environment for differentially abled persons with infrastructure. Company allows the personal vehicles of differentially abled persons (Orthopaedically disabled) within factory premises to help them reach their work spot.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

MIDHANI being a Central Public Sector Undertaking (Govt. Company), follows DPE Guidelines on Reservation for SC/ST/OBC and Differently abled. The DPE Guidelines/ HR Policies with respect to Reservation to recruitment of Differently abled are available on MIDHANI's Intranet Portal. The details of recruitment of Differently abled employees is also depicted in the Annual Reports available on MIDHANI Website.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate (%)	Retention rate(%)	Return to work rate (%)	Retention rate (%)
Male	100	100	100	100
Female	100	100	100	100
Total (%)	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes [#]
Other than Permanent Workers	Yes [#]
Permanent Employees	Yes [#]
Other than Permanent Employees	Yes [#]

[#]Yes. Grievance Redressal process is available to all our employees to raise their concerns or grievances to the management. It ensures that all such issues are addressed promptly, impartially, and justly. Depending on the employees' interest & option, he/she can raise the grievance, either in writing or orally to the concerned people i.e. immediate superior or the Human Resource Head. An employee can also raise their concern in writing through an e-mail mentioning clearly about the details to the immediate superior and/or to the Human Resource Department.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 24- 25			FY 23- 24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	238	193	81.09	256	205	80.07
Female	38	30	78.95	41	29	70.73
Total Permanent Workers						
Male	468	381	81.41	431	358	83.06
Female	42	36	85.71	42	36	85.71

8. Details of training given to employees and workers:

Category	FY 24- 25					FY 23- 24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	238	238	100	238	100	256	256	100	256	100
Female	38	38	100	38	100	41	41	100	41	100
Total	276	276	100	276	100	297	297	100	297	100
Workers										
Male	468	468	100	468	100	431	431	100	431	100
Female	42	42	100	42	100	42	42	100	42	100
Total	510	510	100	510	100	473	473	100	473	100

9. Details of performance and career development reviews of employees and worker:

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	238	238	100	244	244	100
Female	38	38	100	34	34	100
Total	276	276	100	278	278	100
Workers[#]						
Male	468	468	100	432	432	100
Female	42	42	100	42	42	100
Total	510	510	100	474	474	100

[#]Worker's Annual Performance and career development reviews are undertaken in calendar year instead of financial year.

10. Health and safety management system:

- a) Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

Yes, occupational health and safety management system has been implemented. It covers the entire operations covering all manufacturing units, industrial production facilities and offices. MIDHANI's safety policy is in accordance with the International Standards ISO 45001:2018 (Occupational Health and Safety Management System Standard). EHS Management System defines the mandatory requirements for the systematic management and execution within the organisation.

- b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has in place systematic risk management process to identify and control all the hazards at manufacturing units and offices. The Company's risk management process is applied through five steps (Identification, Assessment, Mitigation, Monitoring and Reporting).

- c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes.

- d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

Yes, The Company provides access to non-occupational medical and healthcare services, such as OP examination at CGHS rates at empanelled hospitals and in-patient treatment at empanelled hospitals wherein Company borne upto 95% of treatment cost as per CGHS rates, at its respective locations.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 24- 25	FY 23- 24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.59	1.62
	Workers	7.74	12.5
Total recordable work-related injuries	Employees	3	3
	Workers	26	42
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	2	1

*Workers here means contract workforce and Employees means employees on the rolls of MIDHANI.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

MIDHANI is ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health and Safety Management System) certified Company. There is a systematic risk management process in place to identify and control all the hazards in projects/units which requires verification of conformity. The EHS management system has various procedures and EHS norms. Therefore, a process has been established for carrying out Internal EHS audits. National Safety Week was observed in the month of March 2025 and various awareness programs were held to sensitize employees on safety. MIDHANI has formulated on site emergency plans, in line with MSIHC Rules 1989.

13. Number of Complaints on the following made by employees and workers:

	FY 24- 25			FY 23- 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	None	None	None	None	None	None
Health & Safety	None	None	None	None	None	None

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

MIDHANI has robust Internal audit process in line with ISO 45001:2018 requirement and it covers all construction projects, offices and manufacturing units. At least one internal audit is conducted in a financial year across manufacturing units/offices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Standard Safety, Health Inspection Committee (SHSIC) was constituted with GM (P-II & IV) as Chairman and executives from Safety Department. The Committee has inspected entire plant and submitted the report. Total 276 observations were submitted to departments/shop and 95% of those observations were complied/resolved by the concerned in-charges.

Shop/Area wise Designated Safety Officers (DSOs) & Safety Captains (DSCs) were identified and then groups were formed to conduct quarterly shop floor safety inspections. Total of 893 observations were submitted during FY 2024-25 and 95% of those observation were complied.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N) :

Yes, MIDHANI has Death Relief Fund and Group Insurance under EDLI Scheme for Employees and Workers. As per the Scheme, in case of death of an employee/worker while in service, an ex-gratia amount is given to their nominee.

As per MIDHANI's Employee' Family Benefit Scheme 2021, monetary benefit is provided to an employee's & worker's family on depositing the terminal benefits with the Company, in case of death of an employee while in service.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

MIDHANI ensures that contribution towards ESI/Provident Fund is provided by the manpower contractor.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 24- 25	FY 23- 24	FY 24- 25	FY 23- 24
Employees	Nil	Nil	Nil	Nil
Workers	2	1	2	1

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) :

Regular training is provided to employees while in employment to upskill their abilities / traits.

5. Details on assessment of value chain partners: No such assessment undertaken.

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable, as no assessment of value chain partners was undertaken on Health and Safety practices and working conditions.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

MIDHANI being a strategic Defence Public Sector Undertaking, engaged in manufacturing of special steel, super alloys etc., hence, in line with the business model, MIDHANI has identified the following key stakeholders group: -

Stakeholder group	Basis of Identification
Suppliers/ Contractors	MIDHANI has significant dependency on supply chain partners for raw materials. MIDHANI also need substantial skilled casual workers manpower. To maintain sustainable growth, these partners are key elements in meeting the delivery and cost objectives for various contracts.
Government	Orders from Government (Defence, Energy and Space) and PSU's make up 90% of orders booked during FY 24-25, hence are the largest clients for the business.
Employees and Workforce	MIDHANI manufactures high end alloys and critical alloys, and such super alloys must meet stringent quality which can be only achieved through highly skilled manpower.
Regulatory bodies	MIDHANI is regulated by various regulatory bodies and to achieve sustainable growth it is important to understand priorities of these agencies and address their concerns, if any, to maintain compliance levels and establish benchmark performance levels.
Shareholders and Investors	Shareholders and investors make an important contribution to the growth of the company. Shareholders play an important role through exercise of their voting rights.
Communities through its CSR	MIDHANI always catalyse socio-economic development of communities around its premises. MIDHANI primarily focus on under-privileged and marginalized sections to enable them to bring them on-par with others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government	No	Monthly D.O. Letter Quarterly Results, Annual Reports, Stock Exchange filings, issue specific meetings, representations.	As and when required	Reporting requirement, statutory compliance, support from authority and resolution of issues.
Customers (majorly Govt. & Public Sector)	No	Formal business interaction.	As and when required	Challenges that are faced during order execution. Project delivery, timeline
Suppliers/ contractors	No	Regular supplier and dealer meets i.e. Vendor Meet.	As and when required	Need and expectation, schedule, supply chain issue, etc

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workforce	No	MIDHANI has intranet portal for dissemination of information related to Circulars, OM' s etc. - Company encourages its employees to showcase their talent in Games/ Cultural programs on various occasions like 'MIDHANI's Foundation Day', Independence Day, Republic Day, Hindi Diwas, Women's Day, etc. - Company reaches out to its employees & their families through in house magazines which are published to cover important events of the Company on quarterly basis. - Apart from regular training programs on technical/ non- technical topics program related to work life balance, meditation are also conducted.	As and when required	Employees' growth and benefits, their expectation, volunteering, career growth, professional development and continuing education and skill training etc
Community	Yes (Some of the Company's CSR Project Beneficiaries)	Direct engagement and through the Company's CSR project implementation partners (Implementing agencies i.e. NGOs)	As and when required	Regular review is done for effective service. Beneficiaries are encouraged to provide feedback/ lodge grievance w.r.t CSR activities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company interacts with various stakeholders through sub-committees of the Board viz. CSR Committee, Human Resource Committee, Risk Management Committee, and Corporate Management Committees. These Committee undertakes review and discuss agenda pertaining to economic, social topics and the recommendation by the Committee is placed before Board of Directors for appropriate decision.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company on regular basis engages with its stakeholders to boost relationships enabling the Company to make informed decisions. CSR projects undertaken in area of Education, Health Care, Nutrition, etc. are based on the Government Guidelines and inputs received from relevant stakeholders. Recommendations received from Board level committees are being implemented by way of policies and activities of the Company.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company has established MIDHANI's Primary Health Care Center to provide basic health care facilities to economically vulnerable stakeholders.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	276	60	21.73	297	48	16.16
Other than permanent	3	0	0	2	0	0
Total Employees	279	60	21.50	299	48	16.05
Workers						
Permanent	510	90	17.64	473	20	4.23
Other than permanent	82	0	0	106	0	0
Total Workers	592	90	15.20	579	20	3.45

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 24- 25					FY 23- 24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	238	-	-	238	100	256	-	-	256	100
Female	38	-	-	38	100	41	-	-	41	100
Other than Permanent										
Male	3	-	-	3	100	2	-	-	2	100
Female	0	-	-	-	-	0	-	-	0	100
Workers										
Male	468	-	-	468	100	431	-	-	431	100
Female	42	-	-	42	100	42	-	-	42	100
Other than Permanent										
Male	77	-	-	77	100	104	-	-	104	100
Female	5	-	-	5	100	2	-	-	2	100

3. Details of remuneration/salary/wages:

a Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Rupees)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors	2	38,20,343.23	0	0
Key Managerial Personnel	1	12,22,262.52	0	0
Employees other than BoD and KMPs	235	12,22,262.52	38	11,92,305.66
Workers	463	4,81,291.20	43	5,02,422.86

- CFO is a Director, hence, included in Board of Directors.
- Remuneration means Basic Pay and Dearness Allowance (DA).
- Salary Amount given above is the Median salary in the respective category.
- Calculated for those who were employed during whole FY 24-25.

b Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 24- 25	FY 23- 24
Gross wages paid to females as % of total wages	10.98%	9.97%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes, Company has procedures and means wherein employees can reach out to HR Dept./ respective dept. heads to address such issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All grievances are addressed as and when received by the respective Dept. heads, in coordination with HR. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint. Whenever required, disciplinary actions are initiated as deemed fit and assistance from regulatory authority is sought.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 24- 25			FY 23- 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	The resolution is in progress.	0	0	None
Discrimination at workplace	0	0	None	0	0	None
Child Labour	MIDHANI doesn't employ child labour.					
Forced Labour/Involuntary Labour	0	0	None	0	0	None
Wages	0	0	None	0	0	None
Other human rights related issues	0	0	None	0	0	None

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 24- 25	FY 23- 24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	01	Nil
Complaints on POSH as a % of female employees / workers	1.18	Not Applicable
Complaints on POSH upheld	Nil	Not Applicable

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a Whistle Blower Policy wherein the employees/ vendors or any stakeholders of Company can report, without fear of retaliation - any wrong practices, unethical behaviour or non-compliance which may have a detrimental effect on the organisation, including financial damage and impact on brand image. Also, MIDHANI's CDA Rules and Standing Orders requires employees to behave responsibly in their action and conduct. Apart from that, the Company has Committees for the protection of women at workplace to ensure their rights, receive grievances, conduct investigation and to take actions.

9. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

No such clause incorporated by MIDHANI in its agreements and contract, however MIDHANI is committed to safeguard Human Rights and provide safe work-space to its employees and workers. MIDHANI ensures timely wage payment and availability of ESI to its casual workers engaged through third party consultancy.

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

None.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
MIDHANI did not receive any human rights grievances/complaints that have necessitated to introduce or modify our business processes.
2. Details of the scope and coverage of any Human rights due-diligence conducted.
Not conducted.
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes, MIDHANI provides conducive environment for differentially abled persons with infrastructure. Company allows the personal vehicles of differentially abled persons (Orthopaedically disabled) within factory premises to help them reach their work spot.
4. Details on assessment of value chain partners:
No such assessment of value chain partners undertaken.
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.
Not Applicable.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (Mega Joules) and energy intensity, in the following format¹:

Parameter	FY 24- 25	FY 23- 24
From renewable sources		
Total electricity consumption (A)*	66,34,256.04	1,06,83,093.96
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	66,34,256.04	1,06,83,093.96
From non-renewable sources		
Total electricity consumption (D)	22,19,99,227.20	20,09,58,026.40
Total fuel consumption (E)	26,94,40,060.45	31,79,67,719.49
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	49,14,39,287.65	51,89,25,745.89
Total energy consumed (A+B+C+D+E+F)	49,80,73,543.69	52,96,08,839.85
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) - MJ/Rupees	0.046	0.049
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)² (Total energy consumed / Revenue from operations adjusted for PPP) - MJ/USD	0.96	1.11
Energy intensity in terms of physical output		
Energy intensity per workforce - MJ/Workforce	82,891.24	86,935.13
	6,33,681.35	6,87,803.69

*During FY 2023–24, the plant was newly commissioned and remained under the operational control of the OEM until the year 2023 since its inception. Post-handover from the OEM, frequent breakdowns and disturbances in the grid network have led to interruptions in power generation and decrease in the electricity.

¹The above calculations are in accordance with Part B, Attribute 3 of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

²The above calculations are in accordance with Part A, Section 1(I) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Mishra Dhatu Nigam Limited does not have any facilities recognized as Designated Consumers under the Government of India's Perform, Achieve, and Trade (PAT) Scheme. The entity was therefore not subject to any specific obligations or targets under the PAT framework during the reporting year.

3. Provide details of the following disclosures related to water, in the following format³:

Parameter	FY 24- 25	FY 23- 24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2,44,550.00	2,42,850.00
(iii) Third party water	1,13,132.00	1,41,825.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,57,682.00	3,84,675.00
Total volume of water consumption (in kilolitres)	2,04,382.00	2,20,425.00
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) - KL/Rupees	0.000019	0.000021
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)⁴ (Total water consumption / Revenue from operations adjusted for PPP) - KL/USD	0.00039	0.00046
Water intensity in terms of physical output	34.01	36.18
Water intensity per workforce - KL/workforce	260.03	286.27

³The above calculations are in accordance with Part B, Attribute 2 of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

⁴The above calculations are in accordance with Part A, Section 1(I) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

4. Provide the following details related to water discharged:

Parameter	FY 24- 25	FY 23- 24
Water discharge by destination and level of treatment (in kilolitres)		
(i) Surface water		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(ii) Groundwater		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(iii) Seawater / desalinated water		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(iv) Sent to third-parties		
- No treatment	1,02,200	1,09,500
- With treatment - please specify level of treatment - Primary, Secondary and Tertiary treatment (STP)	51,100	54,750
(v) Others		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
Total water discharged (in kilolitres)	1,53,300	1,64,250

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Mishra Dhatu Nigam Limited (MIDHANI) currently does not operate under a Zero Liquid Discharge (ZLD) mechanism. However, the Company has established a Sewage Treatment Plant (STP) to effectively manage and treat domestic wastewater generated from its premises. The maximum quantity of domestic wastewater generated is estimated at 90 m³/day.

The treated water from the STP is proposed to be reused for gardening and landscaping purposes, thereby promoting sustainable water management practices within the facility.

The wastewater treatment process is carried out in three stages -Primary, Secondary, and Tertiary treatment:

Primary Treatment: Involves screening and equalization to remove large particles and balance the wastewater characteristics.

Secondary Treatment: Comprises an aeration process followed by secondary clarification to biologically degrade organic matter.

Tertiary Treatment: Involves chemical oxidation to ensure further purification and compliance with prescribed discharge standards.

Through this structured treatment process, MIDHANI ensures that domestic wastewater is effectively managed and environmentally responsible practices are adopted, even in the absence of a ZLD system.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 24- 25	FY 23- 24
NOx	µg/m ³	138.70	117.20
SOx	µg/m ³	66.90	67.50
Particulate matter (PM)	µg/m ³	34.40	37.12
Persistent organic pollutants (POP)	µg/m ³	138.70	117.20
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Sampling and evaluation of air emissions is carried out on a bi-monthly basis by an authorized third-party agency, M/s TEAMS LABS & CONSULTANTS, which is accredited by the State Pollution Control Board.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details⁵.

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	15,295.01	18,570.39
Total Scope 2 emissions⁶	Metric tonnes of CO2 equivalent	44,831.51	39,968.32
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/ Rupees	0.0000056	0.0000055
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)⁷ (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/ USD	0.00012	0.00012

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 1 and Scope 2 emission intensity in terms of physical output⁸	Metric tonnes of CO2 equivalent/ MT	10.01	9.61
Total Scope 1 and Scope 2 emission intensity per workforce	Metric tonnes of CO2 equivalent/ workforce	76.50	76.02

⁵ The above calculations are in accordance with Part B, Attribute 1 of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

⁶ The above calculations as per the updated emission factors provided in the CO₂ Baseline Database for the Indian Power Sector – User Guide, Version 20.0, December 2024, published by the Central Electricity Authority, Ministry of Power, Government of India.

⁷ The above calculations are in accordance with Part A, Section 1(I) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

⁸ The above calculations are in accordance with Part A, Section 1(II) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

MIDHANI has utilized 19,37,073 kWh of solar electricity as part of its decarbonization strategy aimed at enhancing the adoption of renewable energy. Under its ongoing energy efficiency program, the Company continues to focus on reducing fuel and energy consumption. Key initiatives undertaken include:

Replacement of 300 BLDC ceiling fans, resulting in a savings of 48.6 Mega Joules of non-renewable energy.

Upgradation of inefficient motors with high power factor motors, leading to improved operational efficiency and reduced energy losses.

9. Provide details related to waste management by the entity, in the following format⁹:

Parameter	FY 24- 25	FY 23- 24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	3.17	-
Bio-medical waste (C)	0.06	0.06
Construction and demolition waste (D)	100.00	3,452.00
Battery waste (E)	0.50	1.00
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Pickling Sludge	0.04	0.06
Used Coolant Oil	-	0.20
Oil Soaked Cotton Wastes	-	0.06

⁹The above calculations are in accordance with Part B, Attribute 4 of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122

Parameter	FY 24- 25	FY 23- 24
Other Non-hazardous waste generated (H) . Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)		
Used Machine Oil	8.64	2.90
Total (A+B + C + D + E + F + G + H)	112.41	3,456.28
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) – MT/Rupee	0.000000010	0.000000032
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)¹⁰ (Total waste generated / Revenue from operations adjusted for PPP) - MT/USD	0.000000022	0.000000072
Waste intensity in terms of physical output¹¹ - MT/MT	0.02	0.57
Waste intensity per workforce - MT/workforce	0.14	4.49
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)[#]		
Category of waste – E-waste		
(i) Recycled – E-waste	3.17	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	3.17	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste - Hazardous, Non-Hazardous waste, Construction and Demolition waste, Biomedical waste and Battery waste		
(i) Incineration – Biomedical waste	0.06	0.06
(ii) Landfilling – Construction and Demolition waste	100.04	3,452.32
(iii) Other disposal operations - Battery waste and Used Machine oil	9.14	3.90
Total	109.24	3,456.28

¹⁰The above calculations are in accordance with Part A, Section 1(I) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

¹¹The above calculations are in accordance with Part A, Section 1(II) of the Industry Standards Note (December 2024) on the Business Responsibility and Sustainability Report (BRSR) Core, jointly issued by ASSOCHAM, CII, and FICCI, pursuant to Regulation 34(2) of the SEBI (LODR) Regulations, 2015, and as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122.

[#]All the Hazardous wastes like Pickling Sludge, Oil-Soaked Cotton waste & Used Coolant Oil being sent to authorised (Hazardous waste Management facility) for safe disposal as per the Telangana State Pollution Control Board (TSPCB) norms. E-Waste, Plastic Waste, Used Batteries, Used Oil selling to authorized recyclers/agencies through auctioning. Bio Medical Waste is also disposing every month through the authorized disposable agency.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

In line with statutory requirements, MIDHANI ensures that all categories of hazardous waste, such as pickling sludge, coolant oil, oil-soaked cotton waste, and similar by-products, are safely stored in designated areas within the central store until further treatment or disposal.

For safe disposal, hazardous wastes are handed over to M/s Ramky Enviro Engineers Ltd., a certified third-party agency, with all movements duly documented through Manifest Form-10 in compliance with regulations. Bio-medical waste is responsibly

disposed of through M/s Sattva Enviro Global Services, while E-waste and used batteries are auctioned only to authorized agents. Additionally, turnover data of hazardous waste is regularly submitted to the concerned regulatory authority in the prescribed Form-04 format under HWMR.

Our waste management practices are guided by the 3R strategy --Reduce, Reuse, and Recycle:

Reduce: Adoption of advanced waste-reduction technologies and improved inventory management techniques to minimize waste at source.

Reuse: Recirculation of coolant and quench oils within operations to extend their lifecycle.

Recycle: Remelting of metallic scrap in arc melting furnaces to produce primary ingots, thereby reducing dependency on virgin raw material.

In alignment with our Consent to Operate (CTO) targets, MIDHANI has also adopted structured methodologies to further reduce hazardous waste generation. For instance, metallic scrap is now increasingly utilized in arc melting operations, thereby lowering overall waste volumes. Furthermore, a new pickling waste treatment technology has been introduced, wherein the liquid discharge from pickling operations is treated with specific chemicals, enabling segregation into reusable water and solid pickling sludge.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable, MIDHANI does not have any operations/offices in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No Environmental Impact Assessment (EIA) was conducted by the Company during the current financial year.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

There were no material non-compliances reported in the financial year 2024-2025.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- i. Name of the area:
- ii. Nature of operations:
- iii. Water withdrawal, consumption and discharge in the following format:

Not applicable, as MIDHANI does not undertake commercial operations in areas of water stress.

Parameter	FY 24- 25	FY 23- 24
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
Total volume of water withdrawal (in kilolitres)	--	--
Total volume of water consumption (in kilolitres)	--	--
Water intensity per rupee of turnover (Water consumed / turnover)	--	--
Water intensity (optional) – the relevant metric may be selected by the entity	--	--
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(ii) Into Groundwater		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(iii) Into Seawater / desalinated water		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(iv) Sent to third-parties		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(v) Others		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
Total water discharged (in kilolitres)	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Scope 3 emissions could not be calculated for the reporting year as the methodology for waste disposal and reclamation was not available for certain categories of waste. Since waste-related disclosures form the basis for Scope 3 emission calculations, the absence of this methodology meant that the assessment could not be undertaken. Going forward, the Company is committed to strengthening its processes for data collation and methodology alignment to enable comprehensive calculation and reporting of Scope 3 emissions in future years.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or independent analysis has been undertaken to evaluate our operational practices, performance metrics, or adherence to relevant standards and regulatory frameworks.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy conservation/ efficient measure	Installed Automatic Power Factor Controller (APFC) and Dynamic Power Factor Controller (DPFC) to optimize the power factor, thereby reducing electricity consumption.	Efficient power utilization, reduced energy losses, conservation of natural resources, and cost savings.
2.	Application of clean energy	Introduced the use of pure Hydrogen for annealing and Clean LPG in furnaces, resulting in zero carbon emissions during operations.	Positive environmental impact, reduced carbon footprint, contribution to sustainable energy transition.
3.	Conservation of flora and fauna	Planted ~15,000 saplings across plant premises, corporate office, and township. Developed water bodies (~3,50,000 sq. m) to collect rainwater and treated water, which have evolved into habitats for flora, fauna, and migratory birds.	Enhanced biodiversity, improved ecosystem balance, greenbelt development, and increased employee awareness on sustainability.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

On-Site Emergency Preparedness at MIDHANI

Mishra Dhatu Nigam Limited (MIDHANI) has developed and implemented a comprehensive On-Site Emergency Plan in accordance with the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 (Rule 13), under the provisions of Major Accident Hazard (MAH) guidelines.

The plan is designed to ensure effective preparedness, response, and mitigation in the event of emergencies or disasters arising from:

Leakages of flammable gases or hazardous substances

Fire or explosion in pressurized vessels, melting/gas-fired furnaces, or any other pressure equipment

Unanticipated plant/process upsets leading to conditions beyond safe operating limits

Such scenarios may pose risks to human lives, cause damage to property, disrupt business operations, and impact surrounding communities, thereby necessitating large-scale mobilization and coordination with external agencies.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

During the reporting period, no value chain partners were assessed for environmental impact. Furthermore, no adverse social or environmental impacts were identified or reported across the Company's value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

During the reporting period, no value chain partners were assessed for environmental impact.

8. How many Green Credits have been generated or procured¹²:

a. By the listed entity – Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Nil

¹²The above disclosure is made as per the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dt. 28th March 2025.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. **Five**
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry	National
2.	Society for Defence Technologist	National
3.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4.	Indian Institute of Metals	National
5.	Federation of Telangana Chamber of Commerce and Industry (FTCCI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No corrective action taken or underway on the issues related to anti-competitive conduct by the entity, hence not applicable.

Leadership Indicators

1. Details of public policy positions advocated by the entity: **None**

PRINCIPLE 8**Businesses should promote inclusive growth and equitable development****Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable. No rehabilitation and resettlement were undertaken by the entity during reporting period.

3. Describe the mechanisms to receive and redress grievances of the community.

Any community member can raise complaint on Company's number and email address provided at Company's website which is monitored, addressed and proper record is maintained. Also, any stakeholder of Company can file complaint under Whistle Blower Policy.

For CSR Projects:

In the Community based CSR projects, MIDHANI's representative from CSR team facilitates the interaction between the beneficiary groups, addresses concerns and resolves issues, if any. MIDHANI interact with implementing agencies on regular basis and provide feedback box at CSR sites which are also monitored and addressed accordingly.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 24- 25	FY 23- 24
Directly sourced from MSMEs/ small producers%	32	28.26
Directly from within India%	54.50	47.41

% Percentage of Total Procurement including inputs.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 24- 25	FY 23- 24
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100	100

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No	State	Aspirational District	Amount spent (In INR)
	Nil	Nil	Nil

- 3.

- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) :

Yes, MIDHANI has a preferential procurement policy.

- (b) From which marginalized /vulnerable groups do you procure?

MIDHANI procures from MSEs owned by SC/ ST entrepreneurs and MSEs owned by women entrepreneurs.

- (c) What percentage of total procurement (by value) does it constitute?

Procured 1.91% of total domestic procurement from SC/ ST MSEs and procured 3.1% of total domestic procurement through MSEs owned by women entrepreneurs.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. :

Not applicable

6. Details of beneficiaries of CSR Projects:

Sl. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Sponsoring free education in BPDVA School, Hyderabad to SC, ST & OBC Children.	46	100
2	Sponsored Nutritional kits to TB patients. Kit consists of Rice, Dal, and Groundnuts & Groundnut Oil.	1500	100
3	Sponsorship for procurement of material and operations of MIDHANI Primary Health Care Centre	31168 Below Poverty Line (BPL) patients were treated	100
4	Sponsored Ambulance for palliative care in three remote places of Palakkad District, Kerala.	200 patients	100

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company does not have any specific consumer products. Customer complaints are received email, transmittal letter communications and verbal communications directly to project teams. The customers can also lodge complaint through contact number and email address and web forms provided on the Company website.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	The main products of the company are Special Metals and Alloys. Hence Not Applicable.
Safe and responsible usage	100
Recycling and/or safe disposal	The main products of the company are Special Metals and Alloys. Once the products are sold, it would not come back to the Company. Hence not applicable

Note: Products are made as customer specification/ International Specifications

3. Number of consumer complaints in respect of the following:

Particulars	FY 24- 25		Remarks	FY 23- 24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	15	5	The complaints pending as on March 31, 2024 were resolved during FY 2024-25.
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not applicable
Forced recalls	Nil	Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy.

MIDHANI has Board Approved Cyber Security Policy, which is available on the <https://midhani-india.in/policies/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There are no incident of Cyber security and Data privacy of Customers, hence not applicable.

7. Provide the following information relating to data breaches:
- Number of instances of data breaches: **None**
 - Percentage of data breaches involving personally identifiable information of customers: **None**
 - Impact, if any, of the data breaches: **None**

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
Details of MIDHANI products can be accessed from its website <http://midhani-india.in/>
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
MIDHANI manufactures industrial products as per customer specifications and demands.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
Not Applicable.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
MIDHANI displays product information on the product as per applicable laws/rules. Annual customer survey conducted with major customer to assess customer satisfaction.

For **Mishra Dhatu Nigam Limited**

Sd/-

Dr. S. V. S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Date: August 13, 2025

Annexure - VI

Declaration of compliance with 'Code of Conduct' of the Company

To,

The Members of Mishra Dhatu Nigam Limited,

I, Dr. S. V. S. Narayana Murty, Chairman & Managing Director be hereby declare that:

- a) Mishra Dhatu Nigam Limited, has adopted a 'Code of Business Conduct and Ethics' for Board members and senior management as per the Guidelines on Corporate Governance for Public Sector Enterprises, 2010 issued by Department of Public Enterprises, and Regulation 17 of SEBI Listing Regulations;
- b) all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Business Conduct and Ethics for Board Members and Senior Management', during the financial year 2024-25; and
- c) this declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the Senior Management Personnel of the Company.

For **Mishra Dhatu Nigam Limited**

Sd/-

Dr. S. V. S. Narayana Murty

Chairman & Managing Director

DIN: 11065319

Place: Hyderabad

Date: 28.05.2025

Annexure - VII

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Mishra Dhatu Nigam Limited
Reg Off: P. O. Kanchanbagh, Hyderabad-500058, Telangana.

We have examined the compliance of conditions of Corporate Governance by Mishra Dhatu Nigam Limited (“the Company”) for the financial year ended 31st March 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as applicable to the Company.

We have also examined the compliance by the Company with the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by the Department of Public Enterprises (DPE) for the aforesaid period.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

Subject to the following observations, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46, and Para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) during the financial year ended 31st March 2025. The Company has also complied with the provisions of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by the Department of Public Enterprises, for the said period.

Observations:

- a) Regulation 17(1)(b) & (c): As on 31st March, 2025, the composition of the Board of Directors consisted of two (2) Executive Directors, one (1) Independent Director, and one (1) Government Nominee. However, since the Chairperson of the Board is an Executive Director, the requirement that the Board should comprise at least six (6) Directors with at least 50% being Non-Executive Directors, has not been met.
- b) Regulation 18(1): The constitution of the Audit Committee was not in conformity with the provisions of Regulation 18(1) of the Listing Regulations with effect from 24th December, 2024.
- c) Regulation 18(2): The Audit Committee has only met thrice in the financial year 2024-25.
- d) Regulation 19(1): The constitution of the Nomination and Remuneration Committee was also not in conformity with the provisions of Regulation 19(1) of the Listing Regulations with effect from 24th December 2024.

The Board, in its meeting held on 30th December 2024, recorded that both the Audit Committee and the Nomination and Remuneration Committee stood suspended with effect from 24th December, 2024, pending the appointment of the requisite number of Independent Directors.

*It is informed that the Company, being a Government Company under the administrative control of the Ministry of Defence, is dependent on the Government of India for the appointment of Directors (including Independent Directors). The Company has informed that it is consistently following up with the Administrative Ministry for the requisite appointments to ensure compliance with the provisions of Regulation 17(1)(b) and other applicable requirements of the Listing Regulations.

For **Puttaparthi Jagannatham & Co.**
Company Secretaries

Sd/-

CS Navajyoth Puttaparthi

Partner

FCS No: 9896; C P No: 16041

Peer Review Certificate No. 1158/2021

UDIN: F009896G000449863

Place: Hyderabad

Date: 27th May 2025

Annexure - VIII**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2025**

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

To
The Members,
MISHRA DHATU NIGAM LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MISHRA DHATU NIGAM LIMITED** (a Mini-Ratna PSU) having **CIN: L14292TG1973GOI001660** and having its registered office at P.O. Kanchanbagh, Hyderabad, Telangana- 500058 (hereinafter called the '**Company**'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our 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:

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the period under review);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **(Not applicable to the company during the period under review);**
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **(Not applicable to the company during the period under review);**
 - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **(Not applicable to the company during the period under review);**
 - (h) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - **(Not applicable to the company during the period under review);**

- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **(Not applicable to the company during the period under review)**; and
 - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Corporate Governance Guidelines issued by Department of Public Enterprises (“DPE”) vide their OM. No. 18(8)/2005-GM dated May 14, 2010.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

As per Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should have at least half of the Board as Independent Directors, if the Chairman is an Executive Director. It has been observed that the Company is having 4 (Four) Directors on its Board as on 31.03.2025 including 2 (Two) Executive Directors, 1 (One) Independent Director and 1 (One) Non-Executive Director. As informed to us, the Company is yet to appoint 3 (Three) Independent Directors.

As per Regulation 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should have at least 6 (Six) directors on its Board. It has been observed that the Listed Entity is having 4 (Four) Directors on its Board as on 31.03.2025 including 2 (Two) Executive and 1 (One) Independent Directors and 1 (One) Non-Executive Director.

The constitution of Audit Committee of the Company was not as per Regulation 18(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of Companies Act, 2013 w.e.f 24.12.2024. Further, the Board at its meeting held on 30.12.2024 has suspended the Audit Committee till appointment of requisite number of Independent Directors on the Board.

The Audit Committee has not met four times in the financial year 2024-25 as required under Regulation 18(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The constitution of Nomination and Remuneration Committee of the Company was not as per Regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of Companies Act, 2013 w.e.f 24.12.2024. Further, the Board at its meeting held on 30.12.2024 has suspended the Nomination and Remuneration Committee till appointment of requisite number of Independent Directors on the Board.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. However, the appointment of Independent Directors is not as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In terms of Articles of Association of the Company, all appointments to the Board are made by Government of India.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the period under review

BSE Limited and National Stock Exchange of India Limited have individually imposed on the Company a fine of ₹ 21,97,160/- including GST for non compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1), constitution of Audit Committee as per Regulation 18(1), constitution of Nomination and Remuneration Committee as per Regulation 19(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company did not pay fine levied by the stock exchanges.

Further, Company had replied to the Stock Exchanges on the said matter stating that it is a Central Public Sector Enterprise (CPSE) under the administrative control of

Ministry of Defence, Government of India and as per Article 67 of the Articles of Association of the Company, inter alia, the President of India shall appoint all members of the Board of Directors. Company has also submitted fine waiver request to stock exchanges as per Policy for Exemption of Fines Levied as per the provisions of SEBI SOP Circular.

For **D. HANUMANTA RAJU & CO**
COMPANY SECRETARIES

Sd/-
CS DATLA HANUMATHA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN:
F004044G000473634
PR NO: 6326/2024

Place: Hyderabad
Date: 28.05.2025

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

‘Annexure A’

To
The Members,
MISHRA DHATU NIGAM LIMITED,

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. We 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **D. HANUMANTA RAJU & CO**
COMPANY SECRETARIES

Sd/-
CS DATLA HANUMATHA RAJU
PARTNER

FCS: 4044, CP NO: 1709

UDIN:

F004044G000473634

PR NO: 6326/2024

Place: Hyderabad

Date: 28.05.2025

Management Reply to Secretarial Audit Report

Sl. No	Observations of Secretarial Auditor	Management's Reply
1.	<p>Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (<i>SEBI LODR</i>):</p> <p>Non-compliance with the requirements pertaining to the composition of the Board, i.e. half of the Board does not comprise of Independent Directors and Board comprised of less than six (6) Directors.</p>	<p>As on March 31, 2025 there were vacancies of Three (3) Independent Directors and one functional Director on the Board of MIDHANI.</p> <p>MIDHANI, being a Defence Public Sector Undertaking under the administrative control of Ministry of Defence (MoD), the authority for appointment of Directors vests with the President of India acting through MoD and MIDHANI has no role in appointment of Directors on the Board. Furthermore, MIDHANI had submitted fine waiver request to both the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited on account of penalties imposed due to non-compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The waiver requests submitted by MIDHANI are under consideration of stock exchanges and as on date of Secretarial Audit Report, MIDHANI has not paid any penalties to either of the stock exchanges.</p>
2.	<p>Regulation 18 of SEBI LODR and Section 177 of the Companies Act, 2013:</p> <p>Audit Committee Composition and less than four (4) Audit Committee Meeting during FY 2024-25:</p> <p>As on March 31, 2025, the Audit Committee was suspended due to vacancies of Independent Directors on the Board of Company and Audit Committee did not meet atleast four (4) times during FY 2024-25.</p>	<p>Due to tenure end of Shri Valluri Chakrapani (DIN: 00867270) as Independent Director of Company, the Composition of Audit Committee was not in line with Regulation 18 of SEBI LODR and Section 177 of the Companies Act, 2013.</p> <p>Hence the Audit Committee was suspended by Board of Directors till such time requisite no. of Independent Directors are appointed by Administrative Ministry i.e. Ministry of Defence.</p>
3.	<p>Regulation 19 of SEBI LODR:</p> <p>Due to vacancies of Independent Director on the Board of MIDHANI, the composition of Nomination and Remuneration Committee was not in line with Regulation 19 and Section 178 of the Companies Act, 2013 w.e.f. December 24, 2024.</p> <p>As on March 31, 2025, the Nomination and Remuneration Committee stands suspended.</p>	<p>Due to tenure end of Shri Valluri Chakrapani (DIN: 00867270) as Independent Director of Company, the Composition of Nomination and Remuneration Committee was not in line with Regulation 19 of SEBI LODR and Section 178 of the Companies Act, 2013.</p> <p>Hence the Nomination and Remuneration Committee was suspended by Board of Directors till such time requisite no. of Independent Directors are appointed by Administrative Ministry i.e. Ministry of Defence.</p>

For Mishra Dhatu Nigam Limited

Sd/-

Dr. S.V.S. Narayana Murty

Chairman & Managing Director

DIN: 11065319

May 28, 2025.

Annexure - IX

CEO and CFO Compliance Certificate

We, Dr. S. V. S. Narayana Murty, Chairman & Managing Director and Shri. Gowri Sankara Rao Naramsetti, Director (Finance) & Chief Financial Officer certify that:

- a) We have reviewed the Financial Statements for the Period Ended 31st March, 2025 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the Period Ended 31st March, 2025 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal financial controls over financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Board and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Board that:
 - i) there has not been any significant change in internal control over financial reporting during the period under reference;
 - ii) the changes in Accounting Policies during the period and its impact on financial statements; and
 - iii) we are not aware of any instance during the period of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal financial control system over financial reporting.

Sd/-

Dr. S. V. S. Narayana Murty

Chairman & Managing Director

DIN:11065319

Sd/-

Gowri Sankara Rao Naramsetti

Director (Finance) & CFO

DIN:08925899

Place: Hyderabad

Date : 28.05.2025

Annexure - X

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mishra Dhatu Nigam Limited
Reg Off: P.O.Kanchanbagh, Hyderabad-500058, Telangana.

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Mishra Dhatu Nigam Limited having CIN: L14292TG1973GOI001660 and having its registered office at the address mentioned above (hereinafter referred to as "the Company"), maintained by the Company and produced before us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our verification of the records, disclosures, and information made available to us, including the status of Directors' Identification Numbers (DINs) as per the portal of the Ministry of Corporate Affairs (www.mca.gov.in), and to the best of our knowledge and according to the information and explanations furnished to us by the Company and its officers, we hereby certify that:

None of the Directors on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

The details of Directors as on the end of the financial year and during the relevant period are as follows:

Sl. No.	Name of Directors	DIN	Date of Appointment
1.	Sanjay Kumar Jha	07533036	05/07/2016
2.	Gowri Sankara Rao Naramsetti	08925899	27/10/2020
3.	Valluri Chakrapani	00867270	24/12/2021
4.	Vallikkat Thanayankizhil Rema	09561611	05/04/2022
5.	Thulasiraman Muthukumar	09636771	23/06/2022
6.	Shalabh Tyagi	10042888	08/12/2023
7.	Amit Satija	08989543	10/12/2024

Note:

Dr. Sanjay Kumar Jha, Executive Director and CMD, ceased to hold office upon completion of tenure with effect from 1st January, 2025.

Mr. Valluri Chakrapani, Non-Executive Independent Director, ceased to hold office upon completion of tenure with effect from 24th December, 2024.

Mr. Shalabh Tyagi, Nominee Director, ceased to hold office with effect from 10th December 2024, upon cessation of his nomination.

The responsibility for ensuring the eligibility of Directors for appointment or continuity in office lies with the management of the Company. Our responsibility is limited to verification based on disclosures and information provided to us.

This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Puttaparthi Jagannatham & Co.**
Company Secretaries

Sd/-

CS Navajyoth Puttaparthi

Partner

FCS No: 9896; C P No: 16041

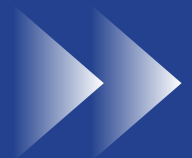
Peer Review Certificate No. 1158/2021

UDIN: F009896G000449775

Place: Hyderabad

Date: 27th May, 2025

Financial Statements



Independent Auditor's Report

To
The Members of
Mishra Dhatu Nigam Limited
Hyderabad.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Mishra Dhatu Nigam Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants ("ICAI") of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made thereunder, 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 obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have identified in the current year are as follows:

Key Audit matter	How the matter was addressed in our audit
<p>i) Revenue Recognition:</p> <p>Refer Accounting Policy Note No.2.3 and Note No. 28 to the standalone financial statements.</p> <p>Revenue Recognition was identified as a key audit matter as the Company as well as its external stakeholders focuses on Revenue as a key performance indicator. This could create an incentive for revenue to be overstated or recognized before control has been transferred. The standard on Revenue establishes a comprehensive framework for determining when, how and under what conditions Revenue could be recognized.</p>	<p>How the matter was addressed in our audit</p> <p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to revenue recognition on selected transactions. 2. Examined whether the basis of recognition of revenue is in accordance with the applicable accounting standards.

Key Audit matter	How the matter was addressed in our audit
<p>Accordingly, this involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognition.</p>	<ol style="list-style-type: none"> 3. Checked the underlying documentation to verify that the control and ownership has been transferred to the customer on sale. 4. Verified whether the company has instituted adequate cut off procedures in relation to sales. 5. Carried out analytical procedures on revenue recognized during the year to identify unusual variances, if any. <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>
<p>ii) Inventory:</p> <p>Refer Accounting Policy No.2.8, Note No. 10 and 31 to the standalone financial statements.</p> <p>Inventory was identified as a key audit matter as the Company as well as its external stakeholders focus on Inventory as a key financial and operational indicator. This could create an incentive for inventory to be overstated. Inventory valuation involves certain key managerial judgements including accounting estimates that have been identified as having high estimation uncertainty in measuring inventory valuation.</p>	<p>How the matter was addressed in audit</p> <p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to Inventory. 2. Review of physical verification of inventory with the company and held by Job workers. 3. For inventory held with Job Workers, wherever physical verification was not conducted, verified confirmations received by management at the year end. 4. Ensured that appropriate adjustments are made to inventory wherever variances were observed in physical verification and in the review of external confirmations. 5. Examined the inventory valuation policies and methods used for its appropriateness and compliance with the applicable accounting standards. 6. Substantive checking of inventory records to ensure compliance with the relevant accounting policies adopted. 7. Examined whether the company has instituted appropriate cut off procedures for recognition of inventory. 8. Performed analytical review procedures in relation to inventory. <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>
<p>iii) Consumption of Raw Material</p> <p>Refer Note No. 30 to standalone financial statements.</p> <p>Cost of material consumed is identified as a key audit matter as the Company as well as its external stakeholders focuses on Inventory as a key operational indicator. Cost of material consumed is a substantial portion of the total production costs, and the same is a significant part of total expense for the Company. Given the complexity involved in production processes, gap between input and output, there is a risk of costs may not be accurately</p>	<p>How the matter was addressed in audit</p> <p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to procurement, issues, consumption, allocation, recording and recognition of Inventory in respect of Raw Material, reusable scrap and WIP. 2. Substantive checking of material procurement and its recording to ensure compliance with the relevant accounting policies adopted and the applicable accounting standards.

Key Audit matter	How the matter was addressed in our audit
ascertained, allocated or recorded that could lead to potential misstatements.	<p>3. Substantive checking of recording consumption and allocation to WIP to ensure compliance with the relevant accounting policies adopted.</p> <p>4. Substantive checking of inventory records to ensure compliance with the relevant accounting policies adopted.</p> <p>5. Performed analytical review procedures in relation to inventory consumption.</p> <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>

Emphasis of Matter

We draw attention to the following matters in the notes to the standalone financial statements:

- Note No. 9 (Other Non-Current Assets), Note No.11 (Current Financial Assets Trade - Receivables), Note No. 14 (Current Financial Assets - Others), Note No. 15 (Other Current Assets), Note No. 22 (Other Non-current Liabilities), Note No. 24 (Current Financial Liabilities - Trade Payables), Note No. 25 (Current Financial Liabilities - Others) and Note No. 26 (Other Current Liabilities) to the standalone financial statements are subject to receipt of confirmation of balances/reconciliation.

Our opinion on the standalone financial statements is not modified in respect of the above matters.

Information other than the standalone financial statements and auditors' report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report including Annual Report on CSR Activities, Management Discussion & Analysis Report, Business Responsibility Report, Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo, Report on Corporate Governance annexed thereto, Shareholder Information and other information contained in Annual Report but does not include the standalone financial statements and our report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so,

consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the standalone financial statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the 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 based on our audit.

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

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

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the business activities of the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entity included in.

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

We communicate with those charged with governance of the Company 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 of the Company 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 of the Company, 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"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, standalone statement of changes in equity and the standalone of cash flows dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements;
 - d) In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) As per Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. No.463 (E) dated 05.06.2015, Government companies are exempt from the applicability of the provisions of section 164(2) of the Act. Hence no comments offered;
 - 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 C"**. 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 41 to the financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (iii) Based on such audit procedures as were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- h) Based on our examination, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) and the same has operated throughout the year. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

3. As required by Section 143(5) of the Act, we give in **Annexure "D"**, a statement on the matters contained in directions issued by the Comptroller & Auditor General of India, the action taken thereon and its impact on the accounts and standalone financial statements of the company in terms of aforesaid section;

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayna Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICME3134

Annexure “A” to Independent Audit Report on Standalone Financial Statements

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ Section of our report to the members of Mishra Dhatu Nigam Limited for the year ended 31st March, 2025)

- 3(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a policy of verification to cover all the items of Property, Plant and Equipment, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, 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) According to the information and explanations given to us and as per the records examined by us, the title deeds of the immovable properties comprising of land and buildings (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the balance sheet date except for the following:

Sl. No.	Particulars	Land Details
1	Description of property	1. Factory Area: 132 acres and 31 Guntas 2. Corporate Office: 8.00 Acres 3. Township Area: 97 Acres and 05 Guntas 4. Under lease to DRDO & Others: 37 Acres and 39 Guntas
2	Gross carrying value	Rs. 128.82 Lakh
3	Held in the name of	DMRL, Ministry of Defence. However, in some land award proceedings, MIDHANI's name is mentioned as Super Alloy Plant of DMRL.
4	Whether Promoter, Director or their relative or employee	No
5	Period Held. Indicate Range where appropriate	Since 1975/1977/1985/1986
6	Reason for not being held in the name of the Company	Conveyance Deed for 275 Acres and 35 Guntas of land acquired which are through various Allotment/Award Letters/GO's are yet to be executed in the name of the Company. Most of them are allotted/ granted by the undivided Govt. of AP earlier. In the said Grant proceedings, MIDHANI is mentioned as Super Alloy Plant of DMRL (Defence Organization). Further, out of this 1.5 Acres land is under dispute on account of unauthorized occupancy by third party.

- (d) As per the information and explanations given to us, the company has not revalued any of its Property, Plant and Equipment (including Right of use of asset) or intangible assets or both during the year. Accordingly, clause 3(i) (d) is not applicable for the year under review.
- (e) According to the information and explanation provided to us and the records examined by us, no proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Accordingly, clause 3(i)(e) of the order is not applicable.

- 3 (ii) (a) According to the information and explanation provided to us, the inventory has been physically verified by the management at reasonable intervals. The procedure for physical verification is appropriate having regard to the nature, size, scale and volume of business operations. No discrepancies exceeding 10% or more in the aggregate of net carrying value of each class of inventory were noticed. However, the discrepancies noticed, having regard to the nature and the size of the business, on physical verification have been adequately dealt with.
- (b) During the year, the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.
- 3 (iii) During the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3(iii) of the order is not applicable.
- 3 (iv) According to the information and explanations given to us and based on our examination of records, the provisions of section 185 and 186 of the Act are not applicable to the Company vide Notification GSR No.463 (E) F.No.1/2/2014- CL.V dated 5th June 2015.
- 3 (v) According to the information and explanations given to us and based on our examination of records, the company has not accepted any deposits and accordingly clause 3(v) of the order is not applicable.
- 3 (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- 3 (vii) (a) According to the information and explanations given to us, the company is regular in depositing its dues in respect of Goods & Service Tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess. We were informed by the management that there were no dues under any other statutes. There are no arrears of undisputed amounts payable as at year end for a period of more than 6 months from the date they became payable.
- (b) Details of disputed Statutory Dues of Sales Tax, Value Added Tax, Customs Duty, Excise Duty, Entry Tax, Service Tax, Cess (as applicable) as at 31st March, 2025, on account of disputes pending before appropriate authorities as given in **Annexure – "B"**.
- 3 (viii) According to the information and explanations given to us and the records of the company examined by us, there are no transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 3 (ix) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not defaulted in repayment of dues to any financial institution or bank or government during the year. The Company has not issued any debentures.
- (b) According to the information and explanation given to us and records examined by us, the company has been not declared as wilful defaulter by any bank or financial institution or any other lender.
- (c) According to the information and explanation given to us and records examined by us, the company has applied term loans for the purpose for which they were obtained.
- (d) According to the information and explanation given to us and records examined by us, the company has not used the funds raised for short term funds basis for the long-term purposes.
- (e) According to the information and explanation given to us and records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of any other entities.

- (f) According to the information and explanation given to us and records examined by us, the company has not raised any loans during the year on the pledge of securities held.
- 3 (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- 3 (xi) (a) According to the information and explanations given to us and records examined by us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year. Accordingly, there were no instances which necessitated filing of report under sub-section (12) of section 143 of the Companies Act in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (b) According to the information and explanations given to us and records examined by us, no complaints were received from any whistleblower, neither against the Company nor any of the managerial personnel.
- 3 (xii) The Company is not a Nidhi Company. Hence, clause 3(xii) of the order is not applicable.
- 3 (xiii) According to the information and explanations given to us and records examined by us, the transactions with the related parties are in compliance, wherever applicable, with section 177 and 188 of the Act and the details of such transactions, have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 3 (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the internal auditors for the period under audit were considered during the audit.
- 3 (xv) According to the information and explanations given to us and records examined by us, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause 3(xv) of the order is not applicable.
- 3 (xvi) According to the information and explanations given to us and records examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. The company did not conduct any Non-Banking Financial or Housing Finance activity. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under clause 3(xvi) of the order is not applicable.
- 3 (xvii) The Company has neither incurred cash loss during the year under consideration nor in the immediately preceding financial year.
- 3 (xviii) During the year under review, there has been no instance of any resignation of the Statutory Auditors. Hence the provisions of para (xviii) of the said order are not applicable.
- 3 (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 3 (xx) (a) The company has no unspent fund in respect of projects other than ongoing projects under the provisions of Section 135 of the Companies Act.
- (b) The Company has no amount remaining unspent under Section 135(5) of the Companies Act, pursuant to any ongoing project.
- 3 (xxi) There are no qualifications or adverse remarks by the Auditors of the Joint Controlled Entity, whose share of profit/ loss is included in the consolidated financial statements of the Company.

For Anjaneyulu & Co
Chartered Accountants
 FRN – 000180S

K. Narayna Murthy
 Partner

Date: 28th May, 2025
 Place: Hyderabad

Mem No. 026012
 UDIN: 25026012BMICME3134

Annexure “B” to the Independent Auditor’s Report

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 OF MISHRA DHATU NIGAM LIMITED

(Referred to in paragraph vii(c) of Annexure A, a statement on the matters specified in the Companies (Auditor’s Report) Order, 2020 (as amended) of the Company for the year ended on 31st March, 2025)

According to the records of the company dues on account of any dispute with respect to Sales Tax, Value Added Tax, Customs Duty, Excise Duty, Service Tax, Entry Tax, Cess and the particulars are furnished below:

(₹ In Lakh)

Sl. NO	Name of the Statute	Nature of Dues	Total Demand Amount	Paid under Protest	Period to which the amount relates	Forum where dispute is pending
1	Customs Act, 1962	Customs Duty & Penalty	540.89	20.28	2009-12	CESTAT
2	Central Excise Tariff Act, 1985	Excise Duty & Penalty	225.97	-	2006-07 to 2008-09	CESTAT
3	Finance Act, 1994	Service Tax on LD received from Vendors	154.2	7.71	01/07/2012 to 31/03/2016	CESTAT
4	Customs Act, 1962	Customs Duty & Penalty	106.2	-	2011-12	CESTAT
5	CST Act, 1956	CST	143.6	109.44	2009-10 to 2011-12	VAT Tribunal
6	Finance Act, 1994	Service Tax on LD received from Vendors	33.21	3.32	2016-17	CESTAT
7	VAT Act, 2005	VAT	47.83	23.92	02/2014 to 06/2017	Appellate Deputy Commissioner & VAT Tribunal
8	Customs Act, 1962	Customs Duty & Penalty	116.7	114.7	2020-21	CESTAT

Annexure “C” to the Independent Auditor’s Report

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 OF MISHRA DHATU NIGAM LIMITED

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Mishra Dhatu Nigam Limited for the year 24-25)

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 Mishra Dhatu Nigam Limited (“the Company”) as at 31st March 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company are 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 Act, 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 were 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 in the standalone financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

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

A company’s internal financial control over financial reporting includes those policies and procedures that

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control 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.

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayna Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICME3134

Annexure “D” to the Independent Auditor’s Report

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 OF MISHRA DHATU NIGAM LIMITED

(Referred to in paragraph 3 under “Report on other legal and regulatory requirements” section of our report to the members of Mishra Dhatu Nigam Limited of even date)

Reports on the directions under 143(5) of Companies Act, 2013 issued by the Comptroller and Auditor General of India

Sl. No.	Directions u/s. 143(5) of the Companies Act, 2013	Auditor’s Reply on action taken on the directions	Impact
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Company is using Oracle ERP software to record all business and financial transactions including Purchase Accounting, Sales Accounting, and Inventory transactions, Production transactions, Accounts Payable, Accounts Receivable, Fixed Assets, Payroll, Oracle Process Manufacturing and General Ledger and all the modules are integrated with one another. The software itself has built in checks and validations between inter related modules. Accordingly, the data accuracy and integrity are maintained. All payment approvals are processed using the approval hierarchy defined in Oracle Module. All the accounting transactions are processed and the Trial Balance is generated from Oracle based ERP System. In view of the above, we confirm that no financial transactions are carried out outside IT systems and hence there is no financial implication on the integrity of the accounts during the Financial Year 2024-25	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the Company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	According to the information and explanation furnished to us and based on our examination of books, there is no restructuring of an existing loan or cases of waiver / write-off of debts / loans/ interest etc. made by a lender to the company during the financial year 2024-25.	NIL
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as Per its term and conditions? List the cases of deviation.	Based on the examination of the books and records of the company, during the Financial Year 2024-25, no funds were received by the Company for any specific schemes.	NIL

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayna Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICME3134

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MISHRA DHATU NIGAM LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of **Mishra Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Mishra Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Rajesh Ranjan
(Rajesh Ranjan)

Principal Director of Audit, Defence - Commercial

Place: Bengaluru

Date: 17 July 2025

Standalone Balance Sheet

as at 31st March, 2025

(₹ in Lakh)

Particulars	Note No.	As at	
		31 st March, 2025	31 st March, 2024
ASSETS:			
Non-current assets			
Property, Plant and Equipment	3	1,07,119.42	1,02,777.80
Capital work-in-progress	5	2,508.78	8,305.75
Other Intangible assets	4	284.07	373.16
Financial Assets			
(i) Investments	6	2,483.31	2,210.11
(ii) Loans	7	-	-
Non current tax assets (Net)	8	-	-
Other non-current assets	9	360.95	195.19
Total Non-Current Assets		1,12,756.53	1,13,862.01
Current assets:			
Inventories	10	1,28,097.93	1,30,971.81
Financial Assets			
(i) Trade receivables	11	41,031.36	32,300.17
(ii) Cash and cash equivalents	12	5,088.18	1,647.66
(iii) Bank balances [other than (ii) above]	13	13.63	13.71
(iv) Others	14	2,058.60	1,712.32
Other current assets	15	2,370.17	10,063.03
Total Current Assets		1,78,659.87	1,76,708.70
Total Assets		2,91,416.40	2,90,570.71
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	18,734.00	18,734.00
Other Equity	17	1,22,713.93	1,13,210.30
Total Equity		1,41,447.93	1,31,944.30
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	3,907.88	5,914.13
(ia) Lease Liabilities		8,064.25	8,099.94
(ii) Others	19	109.83	109.83
Provisions	20	232.45	207.71
Deferred tax liabilities (net)	21	5,184.33	4,467.78
Other non-current liabilities	22	63,913.32	62,312.67
Total Non-current liabilities		81,412.06	81,112.06
Current Liabilities			
Financial liabilities			
(i) Borrowings	23	19,499.90	26,500.00
(ia) Lease Liabilities		3,504.01	2,750.43
(ii) Trade payables	24		
(A) Micro enterprises and Small Enterprises		554.15	768.39
(B) Other than Micro enterprises and Small enterprises		8,772.44	11,228.91
(iii) Others	25	11,424.49	13,079.33
Other current liabilities	26	21,765.35	20,233.92
Provisions	27	3,036.07	2,953.37
Total Current Liabilities		68,556.41	77,514.35
Total Equity and Liabilities		2,91,416.40	2,90,570.71

The accompanying notes 1 to 49 form an integral part of the financial statements.
Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

Place: Hyderabad
Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-
Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Sd/-
Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Standalone Statement of Profit and Loss

for the year ended 31st March, 2025

(₹ in Lakh)

Particulars	Note No.	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Income			
Revenue From Operations	28	1,07,410.15	1,07,267.45
Other Income	29	3,092.15	2,993.52
Total Income		1,10,502.30	1,10,260.97
Expenses			
Cost of material consumed	30	42,222.15	52,347.25
Change in inventories of finished goods, work-in-progress and stock-in-trade	31	847.77	(7,497.04)
Employee benefits expense	32	14,233.86	13,383.11
Finance Costs	33	2,944.77	3,457.51
Depreciation and amortization expense	3, 4	6,348.12	5,855.20
Other expenses	34	28,301.73	29,618.99
Total Expenses		94,898.40	97,165.02
Profit / (Loss) before exceptional items and tax		15,603.90	13,095.95
Exceptional Items - Income / (Expense)		-	-
Profit / (Loss) before tax		15,603.90	13,095.95
Tax expense			
Current Tax	35	3,880.97	3,456.66
Earlier Year Tax		(0.49)	2.65
MAT Credit Entitlement			
Deferred Tax		716.55	510.32
Profit / (Loss) for the period		11,006.87	9,126.32
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(130.83)	(41.77)
(ii) Income tax relating to items that will not be reclassified to profit or loss		32.93	10.51
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year net of tax		(97.90)	(31.26)
Total Comprehensive Income for the period		10,908.97	9,095.06
(Comprising Profit / (Loss) and Other Comprehensive Income for the period)			
Earning per equity share (Amount in ₹)			
Basic (₹)		5.88	4.87
Diluted (₹)		5.88	4.87
Weighted average number of shares (Nos.) (Basic & Diluted)		18,73,40,000	18,73,40,000

The accompanying notes 1 to 49 form an integral part of the financial statements.
Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

Place: Hyderabad
Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-
Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Sd/-
Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Standalone Statement of Changes in Equity

as at 31st March, 2025

A. Equity Share Capital

(1) As at 31st March, 2025

(₹ in Lakh)

Balance as at 01 st April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 st April, 2024	Changes in share capital during the F.Y. 2024-25	Balance as at 31 st March, 2025
18,734.00	-	18,734.00	-	18,734.00

(2) As at 31st March, 2024

Balance as at 01 st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 st April, 2023	Changes in share capital during the F.Y. 2023-24	Balance as at 31 st March, 2024
18,734.00	-	18,734.00	-	18,734.00

B. Other Equity

(1) As at 31st March, 2025

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Retained Earnings	General Reserve	Other items of Other Comprehensive Income	
Opening Balance as at 1st April, 2024	6,679.94	1,06,475.87	54.49	1,13,210.30
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April, 2024	6,679.94	1,06,475.87	54.49	1,13,210.30
Profit for the Period	11,006.87			11,006.87
Remeasurement of the net defined benefit liability / asset, net of tax effect			(97.90)	(97.90)
Dividends	(1,405.34)			(1,405.34)
Transfer to General Reserve	(8,100.00)	8,100.00		-
Balance as at 31st March, 2025	8,181.47	1,14,575.87	(43.41)	1,22,713.93

Standalone Statement of Changes in Equity

as at 31st March, 2025

(2) As at 31st March, 2024

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Retained Earnings	General Reserve	Other items of Other Comprehensive Income	
Opening Balance as at 1st April, 2023	9,923.80	99,875.87	85.75	1,09,885.42
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April, 2023	9,923.80	99,875.87	85.75	1,09,885.42
Profit for the Period	9,126.32			9,126.32
Remeasurement of the net defined benefit liability / asset, net of tax effect			(31.26)	(31.26)
Dividends	(5,770.18)			(5,770.18)
Transfer to General Reserve	(6,600.00)	6,600.00		-
Balance as at 31st March, 2024	6,679.94	1,06,475.87	54.49	1,13,210.30

The accompanying notes 1 to 49 form an integral part of the financial statements.

Subject to our report of even date

for and on behalf of the Board of Directors

Sd/-

Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-

CA K Narayana Murthy
Partner
Membership No.026012

Sd/-

Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Place: Hyderabad
Date: 28-05-2025

Sd/-

Shri Paul Antony
Company Secretary
Memb. No.A29037

Standalone Statement of Cash Flow

for the year ended 31st March, 2025

(₹ in Lakh)

Particulars	For the Period Ended 31 st March, 2025	For the Year ended 31 st March, 2024
Cash flows from operating activities		
Profit/(loss) for the year (before tax)	15,603.90	13,095.95
Adjustments for:		
Depreciation expense	6,348.12	5,855.20
Finance costs	2,226.89	2,736.94
Interest on Lease Liability	717.88	720.57
Interest income	(720.23)	(551.79)
Deferred Income from customer funded assets/Grant	(864.67)	(864.67)
Other Comprehensive Income	(130.83)	(41.77)
Profit / Loss on sale of Fixed Assets	(5.90)	25.55
	23,175.16	20,975.98
Working capital adjustments:		
(Increase) decrease in inventories	2,873.88	(8,487.44)
(Increase) decrease in trade receivables and loans	(8,731.19)	(720.28)
(Increase) decrease in other financial assets	(180.34)	(789.92)
(Increase) decrease in other non-current assets	-	-
(Increase) decrease in other current assets	7,643.48	7,896.82
Increase (decrease) in trade payables	(2,670.71)	(2,580.40)
Increase (decrease) in other financial liabilities	194.24	1,011.50
Increase (decrease) in provisions	(106.06)	(73.65)
Increase (decrease) in non-current liabilities	1,600.65	3,767.38
Increase (decrease) in other current liabilities	1,531.43	3,943.74
Cash generated from operating activities	25,330.54	24,943.73
Income tax paid (net)	(3,634.05)	(3,380.08)
Net cash from/(used in) operating activities (A)	21,696.49	21,563.65
Cash flow from investing activities		
Acquisition of property, plant and equipment (Net)	(6,769.14)	(7,906.44)
Deferred Income from Customer funded assets/Grant	864.67	864.67
Profit / Loss on sale of Fixed Assets	5.90	(25.55)
Investment in other projects	(273.20)	-
Interest received	554.29	551.79
Investment in fixed deposits	(4,000.00)	-
Net cash from/(used in) investing activities (B)	(9,617.48)	(6,515.53)
Cash flows from financing activities		
Repayment of Borrowings	(26,500.00)	(31,999.63)
Availment of borrowings	17,493.65	25,678.46
Dividend on shares	(1,405.26)	(5,771.46)
Lease Liability	717.89	720.57
Interest on Lease Liability	(717.88)	(720.57)
Interest paid	(2,226.89)	(2,736.94)

Standalone Statement of Cash Flow

for the year ended 31st March 2025

(₹ in Lakh)

Particulars	For the Period Ended 31 st March, 2025	For the Year ended 31 st March, 2024
Net cash flow from (used in) financing activities (C)	(12,638.49)	(14,829.57)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(559.48)	218.55
Cash and cash equivalents at 1 April	1,647.66	1,429.11
Cash and cash equivalents at the reporting date	1,088.18	1,647.66
Reconciliation of cash and cash equivalents as per the balance sheet		
Cash and cash equivalents as per the cash flow statement	1,088.18	1,647.66
Other bank balances not considered above		
- Term Deposit	4,000.00	-
Cash and cash equivalents (including Term Deposits) at the reporting date	5,088.18	1,647.66

The accompanying notes 1 to 49 form an integral part of the financial statements.

Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

Place: Hyderabad
Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-
Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Sd/-
Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Standalone Significant Accounting Policies

1. GENERAL INFORMATION

Mishra Dhatu Nigam Limited (“the Company”) a Government of India enterprise was set up in 1973 and is engaged in the business of manufacturing of superalloys, titanium, special purpose steel and other special metals. The Company has its registered office at ‘P.O. Kanchanbagh, Hyderabad, 500058’.

The Financial Statements for the period ended 31st March 2025 are approved by the Board of Directors and authorized for issue on 28th May 2025 by Board.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

i. Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

ii. Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and per share data.

iii. Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS require estimates and assumptions to be made that affect the application of accounting policies and reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

2.2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements, unless otherwise stated.

2.3 Revenue recognition

Revenue is recognized when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Revenue from the sale of manufactured goods is recognized upfront at the point in time when the goods are delivered to the customer. The supply of alloys may include supply of third-party equipment or material. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the company is acting as the principal or as an agent of the customer. The company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, liquidated damages, performance bonuses and incentives, if any, as specified in the contract with the customer.

Revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. The appropriate timing for transfer of risks and rewards varies depending on the individual terms and conditions of the sales contract.

In case of Ex-works contract, revenue is recognized when the goods are handed over to the carrier/agent for dispatch to the buyer and wherever customer’s prior inspection is stipulated; revenue is recognized upon acceptance by customer’s inspector.

In case of sales on FOR/FOB destination contracts, revenue is recognized considering the expected time in respect of dispatches to reach the destination within the accounting period, subject to adjustments based on actual receipt of material at destination.

Standalone Significant Accounting Policies

Claims for additional revenue in respect of sales contracts/orders against outside agencies are accounted on certainty of realization.

Revenue on rendering of service: Revenue is recognized when the outcome of the services rendered can be estimated reliably. Revenue is recognized in the period when the service is performed by reference to the contract stage of completion on the reporting date.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Customer contributed equipment to facilitate Company's fulfilment of contract are accounted as non-cash consideration received from Customer and are measured at fair value.

Use of significant judgments in revenue recognition:

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts,

service level credits, performance bonuses and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

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

Contract fulfillment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. The assessment of this criterion requires the application of judgment, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.4 Foreign currencies

Foreign currency monetary items are recorded in the Functional Currency at the closing rate of the reporting period. Non-monetary assets and liabilities denominated

Standalone Significant Accounting Policies

in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognized as expense or income in the period in which they arise.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through statement of profit and loss.

2.5 Employee benefits

i. Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees. The Company has Post Retirement Medical Benefit Scheme (PRMBS) and Pension Scheme under this category.

ii. Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in 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 discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit

to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Company. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the statement of profit and loss. The Company recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income.

The Company has Gratuity and contribution towards Provident Fund under this category.

iii. Compensated Absence

The Company accounts for its liability towards compensated absences based on actuarial valuation done as at the balance sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long term component accounted on a discounted basis and the short term component which is accounted for on an undiscounted basis.

iv. Other Employee Benefits

Other employee benefits are estimated and accounted for based on the terms of the employment contract.

2.6 Property, plant and equipment

Land is capitalized at cost to the Company. Development of land such as leveling, clearing and grading is capitalized along with the cost of building in proportion to the land utilized for construction of building and rest of the development expenditure is capitalized along with the cost of land. Development expenditure incurred for the purpose of landscaping or for any other purpose not connected with construction of any building is treated as cost of land.

Standalone Significant Accounting Policies

All other items of Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The company opted to adopt the previous GAAP value as the 'deemed cost' for the purposes of preparation of opening balance sheet as at 01 April 2015.

The cost of property, plant and equipment includes expenditures arising directly from the construction or acquisition of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, when the Company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The cost of replacing a part of an item is recognized in the carrying amount of the item of property, plant and equipment, if the following recognition criteria are met:

- a) It is probable that future economic benefits associated with the item will flow to the Company and;
- b) The cost can be measured reliably.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Useful lives of the significant components are estimated by the internal technical experts.

The carrying amount of the replaced part is de-recognized at the time the replacement part is recognized. The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in statement of profit and loss when the item is de-recognized. The costs of the day-to-day servicing of the item are recognized in statement of profit and loss as incurred.

The present value of expected cost for the dismantling and restoration are included in the cost of respective assets if recognizing criteria for provision are met.

Pending disposal, unserviceable fixed assets are removed from the Fixed Assets Register and shown under "Other Current Assets" as a separate line item at the lower of their net book value and net realizable value. As and when the disposal of such assets takes place, the difference between the carrying amount and the amount actually realized will be recognized as Loss / Profit from sale of Fixed Assets.

Advance paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advance under "Other non-current assets" and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'.

As per para 8 of Ind AS 16, items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment and are expected to be used for more than one accounting year. Otherwise, such items are classified as inventory.

Depreciation

Depreciation is calculated using the straight line method to allocate their cost, net of residual values, over the estimated useful life.

The useful lives have been determined to be equal to those prescribed in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets whose actual cost does not exceed `5000/-, depreciation is provided at the rate of hundred percent in the year of capitalization.

Disposal:

Gain and losses on disposal are determined by comparing net sale proceeds with carrying amount. These are included in statement of profit and loss.

2.7 Intangible assets

i. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible

Standalone Significant Accounting Policies

assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

ii. De-recognition of intangible assets

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is de-recognized.

iii. Useful lives of intangible assets

Amortization is calculated using the straight line method to allocate their cost, net of residual values, over the estimated useful life.

The useful lives have been determined in accordance with guidance provided at Schedule II to the Companies Act, 2013.

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.8 Inventories

Inventories are valued on the following basis:

i. Raw materials, consumables, spares and Tools and Instruments in Central Stores

At weighted average cost

ii. Raw materials in Shop floor/ Sub-stores in the shops

At weighted average rate of Central Stores, at the end of the year

iii. Consumables in Shop floor/Sub-stores

All consumables drawn from the Central Stores are charged off to expense. Only in respect of 'A' and 'B' class consumables identified by Management from time to time, the stock at the Shop floor/Shop sub-stores are brought to inventory at the close of the

year at the weighted average rate. However, moulds, rolls, dies etc., in use at the close of the year, are valued at issue rates with reference to the balance life, technically estimated.

iv (a) Re-usable process scrap, process rejections and sales rejections with customers for return

At estimated realizable value for scrap.

(b) Scrap Identified for Sale

At estimated realizable value or market value whichever is less

v Tools and Gauges

Issued tools, instruments, gauges etc. are amortized uniformly over their estimated life.

vi Work-in-process

At cost or estimated realizable value appropriate to the stage of production based on technical evaluation, whichever is less. However, the WIP of 5 years old and above is valued at the realizable scrap rate.

vii Finished Goods

At cost or net realizable value (at shop finished stage) whichever is less. However, the Finished Goods of 5 years old and above is valued at the realizable scrap rate.

viii Goods in transit are valued at cost.

ix Stores declared surplus / unserviceable are transferred to salvage stores for disposal, and charged to revenue.

x Provision for the non-moving raw materials, consumables and spares for over three years is made as under:

Raw materials: 85% of the book value.

Consumables and Spares (which do not meet definition of PPE): 50% of the book value.

xi Stationery, uniforms, medical and canteen stores are charged off to revenue at the time of receipt.

Standalone Significant Accounting Policies

2.9 Investments in associates and joint ventures

An associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associate and joint ventures are measured at cost in accordance with Ind AS 109- Financial Instruments.

Investment in associate and joint ventures are subject to impairment wherever there is indication of negative reserve in the accounts of JV Companies. However, such impairment is limited to the value of investment.

2.10 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax asset are recognized to the extent that it is probable that taxable

profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

2.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation taking into account the risks and uncertainties surrounding the obligation.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.12 Financial instruments

i. Financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial

Standalone Significant Accounting Policies

assets that is created or retained by the Company is recognized as a separate asset or liability. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

the financial asset is held within a business model whose objective is to hold financial 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.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Except Trade Receivable, financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

The Company's financial assets include security deposits, cash and cash equivalents, trade receivables and eligible current and non-current assets.

Cash and cash equivalents comprise cash balances and term deposits with original maturities of one year or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

ii. Financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company has the following financial liabilities: loans and borrowings and trade and other payables.

Such financial liabilities are recognized initially at fair value through profit or loss and stated net off transaction cost that are directly attributable to them. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

2.13 Impairment

i. Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

ii. Non-financial assets

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

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to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

Recoverable amount is the higher of the fair value less costs of disposal 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.

2.14 Borrowing costs

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenure of respective loans using effective interest method.

2.15 Finance income and costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognized on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

2.16 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

2.17 Segment reporting

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company is in the business of manufacturing of super alloys and other special metals. Considering the core activities of the Company, management is of the view that the Company operates a single business segment. Therefore, there is no other reportable segment.

2.18 Claims by / against the Company:

Claims on underwriters/carriers towards loss / damage are accounted when monetary claims are preferred.

Claims for refund of customs duty including project imports/port trust charge/excise duty are accounted on acceptance/receipt.

Liquidated Damages on suppliers are accounted on recovery.

Liquidated damages levied by the customers are netted-off from revenue on recovery/advice by the customers. A provision is created for the likely claims of Liquidated Damages for shipments made where a reliable estimation can be made.

Disputed/Time barred debts from Govt. Depts. & PSUs are not treated as Doubtful Debts. However, on a review appropriate provisions/write offs are made in the books of accounts on a case to case basis.

Provision for Doubtful Debts is made on the amounts due from other than Govt. Depts. & PSUs using expected credit loss provisional matrix.

Standalone Significant Accounting Policies

Provision for Contingencies & Warranty to take care of rejected / returned material by customers is provided at an average of percentages of rejections over turnover related to manufactured products for the previous 5 years.

2.19 Research and development expenses:

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

Expenditure incurred towards other development activity where the research results or other knowledge is applied for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

2.20 Physical verification of Fixed Assets and Inventory:

Fixed Assets under the heads Land & Development, Roads & Bridges, Drainage, Sewerage and water system and Buildings & Internal Services are verified once in 3 years. All other Fixed Assets are verified once in the Financial Year.

Inventories of work-in-process, finished goods, raw materials and consumables in the Company premises are verified at the end of the financial year.

Inventories of raw materials, stores and spares in the Central Stores are verified on perpetual basis as per norms fixed from time to time and reconciled. Provisional adjustments are made to revenue, in respect of discrepancies pending reconciliation.

2.21 Cash Flow Statement:

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7- Statement of Cash Flows.

2.22 New standards and interpretations not yet effective:

- i. A number of new standards, amendments to standards and interpretations are not yet effective as on the reporting date, and have not been applied in preparing these financial statements. The effect of the same is being evaluated by the Company.

2.23 Government Grants:

- i. Grants from the Government are recognized at their fair value where there is reasonable assurance that grant will be received and the Company will comply with all attached conditions.
- ii. Government grants relating to income are deferred and recognized in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Alternatively, they are deducted in reporting the related expense.
- iii. Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognized in profit or loss over the periods that bear the cost of meeting the obligations.
- iv. Government Grants received either as subsidy or otherwise for acquisition of depreciable assets are accounted as deferred income. If the grant/subsidy is absolute, amount corresponding to the depreciation is treated as income over the life of the asset. If the grant/subsidy is attached with any conditions, such as repayment, income is accounted as per the terms of the grant/subsidy.

2.24 LEASES

Company as a lessee:

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – "Leases" if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with short term lease (term of twelve months or less) and lease in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

Standalone Significant Accounting Policies

At commencement date, the value of “right of use” is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments. Subsequent measurement, if any, is made using cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right of use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company’s incremental borrowing rate.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a Lessor:

Lease are classified as finance or operating lease based on the recognition criteria specified in Ind AS 116 – Leases.

a) Finance Lease:

At commencement date, amount equivalent to the “net investment in the lease” is presented as a receivable. The implicit interest rate is used to measure the value of the “net investment in Lease”.

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the statement of profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in lease.

The asset is tested for de-recognition and impairment requirements as per IndAS 109- Financial Instruments.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight line basis or another systematic basis, if required. Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

A lease is classified at the inception date as a finance lease or operating lease.

Notes to Standalone Financial Statements

for FY 2024-25

3. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025
Land	1,718.39	-	-	1,718.39	-	-	-	1,718.39
Buildings/Drainage/Water systems	7,940.14	1,799.15	(2.59)	9,736.70	1,360.84	329.75	(1.88)	1,688.71
Plant and Equipment *	82,408.69	7,925.23	(88.66)	90,245.26	16,869.06	3,860.65	(75.73)	20,653.98
Furniture and Fixtures	632.47	5.31	(13.69)	624.09	382.62	51.19	(13.02)	420.79
Vehicles	616.93	82.77	(58.95)	640.75	402.53	53.55	(56.28)	399.80
Office Equipment	1,869.51	158.00	(35.90)	1,991.61	1,207.27	214.75	(30.37)	1,391.65
Other (Electrical Installations)	3,618.82	630.32	(4.40)	4,244.74	1,302.39	330.60	(4.18)	1,628.81
Others (Roads and Bridges)	443.96	-	-	443.96	130.34	83.69	-	214.03
Right of Use Assets								
Buildings/Drainage/Water systems	4,934.22	-	-	4,934.22	609.31	157.81	-	767.12
Plant and Equipment	21,564.15	-	-	21,564.15	2,517.58	819.44	-	3,337.02
Other (Electrical Installations)	3,526.35	-	-	3,526.35	1,713.89	335.00	-	2,048.89
Total	1,29,273.63	10,600.78	(204.19)	1,39,670.22	26,495.83	6,236.43	(181.46)	32,550.80

* Includes Assets funded by ASL where no repayment exists.

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024
Land	1,718.39	-	-	1,718.39	-	-	-	1,718.39
Buildings/Drainage/Water systems	6,807.75	1,136.58	(4.19)	7,940.14	1,076.87	285.03	(1.06)	1,360.84
Plant and Equipment *	77,314.24	5,334.03	(239.58)	82,408.69	13,542.66	3,452.12	(125.72)	16,869.06
Furniture and Fixtures	605.46	29.16	(2.15)	632.47	329.20	54.07	(0.65)	382.62
Vehicles	611.09	6.56	(0.72)	616.93	343.67	58.86	-	402.53
Office Equipment	1,680.21	204.20	(14.90)	1,869.51	1,008.39	209.64	(10.76)	1,207.27
Other (Electrical Installations)	3,027.25	593.67	(2.10)	3,618.82	1,007.68	295.05	(0.34)	1,302.39
Others (Roads and Bridges)	443.96	-	-	443.96	46.65	83.69	-	130.34
Right of Use Assets								
Buildings/Drainage/Water systems	4,679.97	254.25	-	4,934.22	459.46	149.85	-	609.31
Plant and Equipment	21,564.15	-	-	21,564.15	1,698.14	819.44	-	2,517.58
Other (Electrical Installations)	3,526.35	-	-	3,526.35	1,378.89	335.00	-	1,713.89
Total	1,21,978.82	7,558.45	(263.64)	1,29,273.63	20,891.61	5,742.75	(138.59)	26,495.83

* Includes Assets funded by ASL where no repayment exists.

Notes to Standalone Financial Statements

for FY 2024-25

1. Conveyance deeds for 275 acres and 35 guntas of Land acquired which are through various Allotment/Award Letters/GO's are yet to be executed in the name of the Company. Most of them are allotted/granted by the undivided Govt. of AP earlier.

Further, above land includes:

- (a) Land leased to DRDO - 35 acres and 39 guntas (Operating Lease), (b) Land in the physical possession of Telanagana State Govt. - 1 acre, (c) Land in the physical possession of BDL - 1 acre and (d) 1.5 Acres land is under dispute on account of unauthorized occupancy by third party.
2. Claims for reimbursement of cost for 70 acres and 23 guntas of Land transferred by DRDO not acknowledged, as no final settlement has been reached.
 3. Pending registration/receipt of claims, no Provision has been made towards stamp Duty on conveyance deeds/conversion of Land use/property taxes/service charges (amount not ascertainable).
 4. Plant and Machinery includes ₹5058.04 lakhs (31-Mar-2024 ₹5058.04 lakhs) for R&D capital cost.
 5. Company considered the salvage value as 5% of the Cost of Assets.
 6. Principal Asset costing ₹100 lakhs and above only are identified for the purpose of componentization of assets.
 7. During the year, the Company has not revalued Property, Plant and Equipment.
 8. The Estimated useful life of various categories of assets are considered based on the Schedule II of the Companies Act, 2013, where NESD rates are available. For the other assets, management has estimated the useful life after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence etc. The estimated useful lives of various categories of Tangible Assets is as follows.

Asset Class	Useful Life (Years)
Buildings	30/60
Roads and Bridges	5
Electrical Installations	10
Plant, Machinery and Equipment	10/15/25
Electrical Equipments	3/6
Vehicles	8/10
Office Equipments	5/8/10
Furniture and Fixtures	8/10

9. Refer Note 41(ii) for outstanding contractual commitments.

Notes to Standalone Financial Statements

for FY 2024-25

4. INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at
									31 st March, 2025
Computer Software	743.94	22.60	-	766.54	439.10	103.88	-	542.98	223.56
Copyrights & Patents and other intellectual property rights, services and operating rights	105.95	-	-	105.95	37.63	7.81	-	45.44	60.51
Total	849.89	22.60	-	872.49	476.73	111.69	-	588.42	284.07

(₹ in Lakh)

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at
									31 st March, 2024
Computer Software	721.33	22.61	-	743.94	335.09	104.01	-	439.10	304.84
Copyrights & Patents and other intellectual property rights, services and operating rights	105.95	-	-	105.95	29.19	8.44	-	37.63	68.32
Total	827.28	22.61	-	849.89	364.28	112.45	-	476.73	373.16

(₹ in Lakh)

Notes to Standalone Financial Statements

for FY 2024-25

5. CAPITAL WORK-IN-PROGRESS

(₹ in Lakh)

Particulars	As at	
	31 st March, 2025	31 st March, 2024
Capital Work-in-Progress-Civil	411.98	1,430.35
Capital Work-in-Progress- Plant & Machinery Under Erection	1,762.18	6,542.26
Plant, Machinery & Equipment under Inspection & in Transit	334.62	333.14
Total	2,508.78	8,305.75

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakh)

Particulars	As at	
	31 st March, 2025	31 st March, 2024
Trade Investments Non-Trade, Unquoted AT COST		
Investment in Equity instruments		
Investment in other entities		
AP Gas Power Corporation Limited (*)		
18,43,857 fully paid up Equity share of ₹ 10/- each including 7,71,847 fully paid up bonus share of face value ₹ 10/- each	107.20	107.20
4,28,800 fully paid up Equity share of ₹ 10/- each subscribed at ₹ 24/- each and paid-up ₹ 24/- each	102.91	102.91
Investments in Joint Venture (**)		
a) Utkarsha Aluminium Dhatu Nigam Limited	2,000.00	2,000.00
2,00,00,000 fully paid up Equity share of ₹ 10/- each		
b) Advanced Materials (Defence) Testing Foundation	273.20	-
27,320 fully paid up Equity share of ₹ 1,000/- each		
Total	2,483.31	2,210.11

(*) Investment in APGPCL shares are in the nature of security deposit for uninterrupted supply of power which has no specified tenure. Hence, not considered for fair valuation.

(**) Details of Joint venture

(₹ in Lakh)

Particulars	Principal Activity and place of business	Proportion of ownership Interest/voting rights held by the Company	
		As at	As at
		31 st March, 2025	31 st March, 2024
a) Utkarsha Aluminium Dhatu Nigam Limited	For setting up High End Aluminium Alloy Production plant at Nellore, Andhra Pradesh.	50%	50%
b) Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act, 2013)	For development, operation and maintenance of Defence Testing Infrastructure (DTI) of Mechanical and Material Testing Facility in UP Defence Industrial Corridor, Lucknow.	20%	-

Notes to Standalone Financial Statements

for FY 2024-25

7. NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good		
Loans to Vendors	-	-
Total	-	-

8. NON-CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advance Income Tax	-	-
Total	-	-

9. OTHER NON-CURRENT ASSETS

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
Capital Advances				
Unsecured, considered good		360.95		195.19
Doubtful	35.46		35.46	
Less: Provision	35.46	-	35.46	-
Sub-Total		360.95		195.19
Others				
Doubtful Advances to supplier	22.52		22.52	
Less: Provision	22.52	-	22.52	-
Obsolete and slow moving -Raw material	322.29		416.67	
Less: Provision	322.29	-	416.67	-
Obsolete and slow moving -consumables	56.37		43.13	
Less: Provision	56.37	-	43.13	-
Obsolete and slow moving -spares	216.45		213.69	
Less: Provision	216.45	-	213.69	-
Total		360.95		195.19

10. INVENTORIES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Raw Materials and components	9,428.50	9,745.93
Raw Materials and components -in transit	1,859.85	3,566.91
Total	11,288.35	13,312.84
Work-in-progress#	66,863.46	66,870.49
Total	66,863.46	66,870.49
Finished goods	9.44	11.22
Finished goods in transit	76.43	45.44
Total	85.87	56.66

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Stores and spares	668.63	696.53
Stores and spares -in transit	-	24.78
Total	668.63	721.31
Loose Tools	47.26	38.66
Total	47.26	38.66
Consumables	2,560.64	2,518.18
Consumables-in transit	-	-
Total	2,560.64	2,518.18
Internally generated Scrap/rejected material *	46,583.72	47,453.67
Total	46,583.72	47,453.67
Grand Total	1,28,097.93	1,30,971.81

The Inventory does not include material held on behalf of Customers and material issued by the Customers to MIDHANI for job works.

*Work in progress Include materials lying with sub-contractors ₹ 1323.47 Lakh (31.03.2024 ₹ 2058.61 Lakh) and is subject to confirmation of balance by sub-contractors.

*Includes Rejected Materials lying with Customers ₹ 103.70 Lakh (31.03.2024 ₹ 181.82 Lakh) yet to be brought back from Customers.

Valuation of Inventories has been made as per criteria specified at 2.8 of Significant Accounting Policies given at Note-2.

11. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Trade Receivables		
Considered Good - Unsecured	41,052.17	32,345.38
Which have significant increase in Credit Risk	-	-
Credit Impaired	1,562.19	2,045.78
Total (A)	42,614.36	34,391.16
Less : Allowance for bad and doubtful debts		
Considered good - Unsecured (ECL)	(20.81)	(45.21)
Which have significant increase in Credit Risk	-	-
Credit Impaired	(1,562.19)	(2,045.78)
Total (B)	(1,583.00)	(2,090.99)
Grand Total (A-B)	41,031.36	32,300.17

Notes to Standalone Financial Statements

for FY 2024-25

Trade Receivables ageing schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	38,952.74	1,101.26	529.15	302.27	166.75	41,052.17
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	1,095.83	60.75	60.59	135.98	209.04	1,562.19
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

For computing the trade receivables normal credit period allowed by the company of thirty days has been taken into consideration for calculating the due date from the date of invoice .

Balances in Trade Receivables, is subject to confirmation and/or reconciliation.

Expected Credit Loss Percentage

(₹ in Lakh)

Age of receivables	Expected credit loss	
	As at 31 st March, 2025	As at 31 st March, 2024
Within Credit the Period	1.80%	2.03%
Upto 3 months	2.87%	2.86%
3-6 months	24.48%	13.14%
6-9 months	58.27%	29.08%
9-12 months	92.80%	60.74%
>12 months	100.00%	100.00%
Specific Provision (₹ In Lakhs) relating to Defence, Govt and PSU customer dues	351.75	305.24
Specific Provision (₹ In Lakhs) relating to Defence, Govt, PSU, Private customer dues (LD)	1,210.44	1,740.54

Notes to Standalone Financial Statements

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(₹ in Lakh)

Age of receivables	As at 31 st March, 2025	As at 31 st March, 2024
Private Customers -Unsecured		
Within Credit the Period	755.73	1,337.14
Upto 3 months	127.52	491.64
3-6 months	0.03	0.89
6-9 months	-	0.02
9-12 months	1.76	3.32
>12 months	1.93	1.93
Private Customers -secured	677.79	202.86
Defence, Govt and PSU customer dues	41,049.60	32,353.36

Movement in Provision made against Trade Receivables

(₹ in Lakh)

Particulars	Total
Loss allowance as on 31 st March, 2024	2,090.99
Changes in loss allowance	(507.99)
Loss allowance as on 31 st March, 2025	1,583.00

12. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balances with Banks		
In Current Accounts	1,086.23	1,647.25
In Deposit Accounts #	4,000.00	-
Cash on hand	1.95	0.41
Total	5,088.18	1,647.66

Balances in deposit accounts represents term deposits with maturities of one year or less and can be liquidated as and when required by the Company, hence classified as cash and cash equivalents.

13. CURRENT FINANCIAL ASSETS - BANK BALANCES [OTHER THAN (NOTE 12) ABOVE]

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unpaid Dividend *	13.63	13.71
Total	13.63	13.71

* This amount includes of ₹ 0.48 lakh (31-03-2024 - ₹ 0.99 lakh) towards Interim Dividend for the respective financial years, but not unpaid as per sec 124 of the Companies Act, 2013.

Notes to Standalone Financial Statements

for FY 2024-25

14. CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured - Considered Good		
Loans and advances to employees	39.92	38.02
Claims receivable	40.61	25.93
Deposits with others	1,812.13	1,648.37
Interest accrued on bank deposits	165.94	-
Total	2,058.60	1,712.32

15. OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Assets held for disposal	1.28	50.66
Prepaid expenses	303.11	275.30
GST/Customs duty receivable	1,508.66	9,380.65
Others		
Unsecured, considered good		
Advance to suppliers	557.12	356.42
Total	2,370.17	10,063.03

16. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Authorised		
Equity shares		
20,00,00,000 shares @ ₹ 10/- per share (Previous Year 20,00,00,000 shares @ ₹ 10/- per share)	20,000.00	20,000.00
	20,000.00	20,000.00
Issued		
Equity shares		
18,73,40,000 shares @ ₹ 10/- per share (Previous Year 18,73,40,000 shares @ ₹ 10/- per share)	18,734.00	18,734.00
	18,734.00	18,734.00
Subscribed and fully Paid up		
Equity shares		
18,73,40,000 shares @ ₹ 10/- per share (Previous Year 18,73,40,000 shares @ ₹ 10/- per share)	18,734.00	18,734.00
	18,734.00	18,734.00
Total	18,734.00	18,734.00

Notes to Standalone Financial Statements

for FY 2024-25

Reconciliation of shares outstanding at the beginning and at the end of the period:

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	Amount (₹ in Lakh)	No. of Shares	Amount (₹ in Lakh)
Outstanding as at Opening Date	18,73,40,000	18,734.00	18,73,40,000	18,734.00
Add: Issued during the period	-	-	-	-
Less: Buy-back during the period (if any)	-	-	-	-
Outstanding as at Closing Date	18,73,40,000	18,734.00	18,73,40,000	18,734.00

Terms/right attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share (Previous Year ₹ 10 per share). Each equity share represents one voting right.

Details of shareholders holding more than 5% shares in the Company

Particulars	31 st March, 2025		31 st March, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid-up (Previous Year ₹ 10/- each)				
President of India	13,86,31,600	74.00%	13,86,31,600	74.00%
HDFC Trustee Company Ltd. A/c HDFC Balanced Advantage Fund	-	-	1,33,29,106	7.11%

Details of Shareholding of Promoters

Shares held by promoters as on 31 st March, 2025				% Change during the year
S. No.	Promoter Name	No. of Shares	% of Total shares	
1	President of India	13,86,31,600	74%	-

17. OTHER EQUITY

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
General Reserve				
Opening Balance		1,06,475.87		99,875.87
Less: Depreciation adjustment		-		-
		1,06,475.87		99,875.87
Add: Additions during the year		8,100.00		6,600.00
Sub-total		1,14,575.87		1,06,475.87

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
Retained Earnings				
Opening Balance		6,679.94		9,923.80
Add: Amount transferred from statement of profit and loss		11,006.87		9,126.32
Amount available for appropriation		17,686.81		19,050.12
Less: Appropriations				
Interim Dividend	1,405.34		2,641.52	
Final Dividend	-		3,128.66	
Transferred to General Reserve	8,100.00	9,505.34	6,600.00	12,370.18
Sub-total		8,181.47		6,679.94
Components of other comprehensive income				
Opening Balance		54.49		85.75
Add: Remeasurement of the net defined benefit liability / asset, net of tax effect		(97.90)		(31.26)
Sub-total		(43.41)		54.49
Total		1,22,713.93		1,13,210.30

18. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Secured		
Term Loans		
from Banks	3,907.88	5,914.13
(Secured by way of Hypothecation of Machinery Purchased out of Term Loan)		
(Excluding ₹2000.00 lakh (31.03.2024 - ₹2000.00 lakh) which is due for payment within 12 months treated as Other Current Financial Liability and included under Note 23)		
(Repayable in 20 quarterly equal installments)		
Total	3,907.88	5,914.13

19. NON-CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Deposit under MEFBS-2021	109.83	109.83
Total	109.83	109.83

Notes to Standalone Financial Statements

for FY 2024-25

20. NON-CURRENT LIABILITIES - PROVISIONS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for gratuity	169.92	152.47
Provision for compensated absences	62.53	55.24
Total	232.45	207.71

21. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Deferred Tax Liabilities		
On Depreciation	5,815.92	5,196.36
Sub Total	5,815.92	5,196.36
Deferred Tax Assets		
On Provision	631.59	714.68
On Disallowance as per IT Act	-	13.90
Sub Total	631.59	728.58
Net Total	5,184.33	4,467.78

Movement in deferred tax

(₹ in Lakh)

Particulars	Closing Balance 31-Mar-2024	Charge/Credit during the year 2024-25	Closing Balance 31-Mar-2025
Deferred Tax Assets			
Provision for Non Moving Stores	169.50	(19.72)	149.78
Provisions for Doubtful Debts	88.20	5.57	93.77
Provisions for Doubtful Adv / Claims	5.67	-	5.67
Provision for Contingencies & Warranty	227.04	(79.33)	147.71
AMTL Leave Provision	13.90	(13.90)	-
Provison for Others	27.69	(24.91)	2.78
OFB-Melt-IV Interest Differences (Net)	79.96	8.38	88.34
OFB-WPM Interest Differences (Net)	110.02	33.52	143.54
MSE Liaibility Unapaid	6.60	(6.60)	-
Total Assets	728.58	(96.99)	631.59
Deferred Tax Liability			
Depreciation	5,196.36	619.56	5,815.92
Total Liability	5,196.36	619.56	5,815.92
Net Liability	4,467.78	716.55	5,184.33

Notes to Standalone Financial Statements

for FY 2024-25

22. OTHER NON-CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances		
Advances from Customers	25,866.98	22,970.25
Others		
Other Liabilities - VSSC	54.72	54.72
Other Liabilities - OFB	163.00	43.00
Advances Others	64.57	64.57
Deferred Income	37,764.05	39,180.13
Total	63,913.32	62,312.67

23. CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Secured		
Loans repayable on demand		
From Banks		
Cash Credit	(0.01)	-
(By hypothecation of Raw materials, stock in process, finished good and book debts.)		
Unsecured		
From Banks		
Short Term Loans	17,499.91	24,500.00
Current Maturities of Long Term Debt	2,000.00	2,000.00
Total	19,499.90	26,500.00

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Micro & Small Enterprises	554.15	768.39
Others	8,772.44	11,228.91
Total	9,326.59	11,997.30

Balances in Trade Payables are subject to confirmation and/ or reconciliation.

Notes to Standalone Financial Statements

for FY 2024-25

Trade Payables ageing schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	509.13	42.28	0.30	1.63	0.81	554.15
(ii) Others	1649.93	6,850.75	115.72	90.60	65.44	8,772.44
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

25. CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Earnest money deposit	575.37	393.63
Security Deposit	1,481.00	1,754.21
Liabilities to customers	1,471.47	1,357.47
Capital creditors	6,140.36	7,989.44
Employee payables	1,742.66	1,570.87
Unpaid Dividend *	13.63	13.71
Total	11,424.49	13,079.33

* This amount includes of ₹ 0.48 lakh (31-03-2024 - ₹ 0.99 lakh) towards Interim Dividend for the respective financial years, but not unpaid as per sec 124 of the Companies Act, 2013.

26. OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances received from customers	17,243.68	15,312.53
Liabilities for Customer Financed projects	478.95	502.69
Material Received on Loan - Others	2,540.58	4,250.75
Statutory liabilities	1,502.14	167.95
Total	21,765.35	20,233.92

27. CURRENT - PROVISIONS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for compensated absences	381.57	305.14
Provision for gratuity	356.34	248.65
Provision for post retirement medical scheme	175.87	174.32
Provision for Pension Scheme	35.71	-
Provision for other employee benefits	1,219.23	1,157.21

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Other Provisions		
Provision for contingencies and warranty	586.88	902.08
Provision for Income Tax	269.43	55.93
Other provisions	11.04	110.04
Total	3,036.07	2,953.37

Movement in Provisions (Short term and Long term)

(₹ in Lakh)

Particulars	As at 01.04.2024	Additions	Utilization	Reversal	As at 31.03.2025
Compensated absences	360.38	388.86	305.14	0.00	444.10
Gratuity	401.12	373.79	248.65	0.00	526.26
Post retirement medical scheme	174.32	175.87	174.32	0.00	175.87
Contingencies and Warranty	902.08	0.00	0.00	315.20	586.88
Others	1,267.25	764.00	800.98	0.00	1,230.27
Total	3,105.15	1,702.52	1,529.09	315.20	2,963.38

28. REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Sale of Manufacturing Products		
Domestic	93,258.93	94,430.43
Export Sales	9,419.32	6,623.76
Sale of Services	2,600.32	2,064.58
Other Operating Revenue		
Sale of product scrap	2,131.58	4,148.68
Total	1,07,410.15	1,07,267.45

29. OTHER INCOME

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Interest Income		
From Banks	167.47	-
From Others	552.76	551.79
Liquidated Damages	538.70	654.63
Exchange rate variance	-	-
Net gain on sale of Fixed Assets	5.90	-
Income from Sale of Unserviceable Scrap	314.68	267.79

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Provisions written back		
Non-Moving Inventories	78.37	-
Excess Liabilities written back	490.31	577.78
Grant Income	864.67	864.67
Other miscellaneous income	79.29	76.86
Total	3,092.15	2,993.52

Details of other miscellaneous income

(₹ in Lakh)

Particulars	For the Year Ended 31 st March 2025	For the Year Ended 31 st March, 2024
Sale of Application Forms (Personnel)	0.07	4.79
Sale of Tender Documents	0.02	-
Others	79.20	72.07
Total	79.29	76.86

30. COST OF MATERIAL CONSUMED

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Cost of Material for manufactured products	42,222.15	52,347.25
Total	42,222.15	52,347.25

31. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Opening Stock		
Work-in-progress	66,870.49	75,870.87
Finished Stock	56.66	175.11
Scrap	47,453.67	30,837.80
	1,14,380.82	1,06,883.78
Closing Stock		
Work-in-progress	66,863.46	66,870.49
Finished Stock	85.87	56.66
Scrap	46,583.72	47,453.67
	1,13,533.05	1,14,380.82
(Increase) / Decrease		
Work-in-progress	7.03	9,000.38
Finished Stock	(29.21)	118.45
Scrap	869.95	(16,615.87)
Total	847.77	(7,497.04)

Notes to Standalone Financial Statements

for FY 2024-25

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Salaries & Wages		
Salaries & Wages	9,585.29	9,010.72
Leave Encashment	543.96	498.31
Directors remuneration	246.62	245.16
Contribution to Provident and other Funds		
Provident fund	782.81	750.42
Employees Gratuity	237.08	154.91
Leave salary and pension contribution	418.30	401.20
Staff Welfare & Training		
Workmen and staff welfare expense	2,419.80	2,322.39
Total	14,233.86	13,383.11

(i) Gratuity

Gratuity payable to eligible employees is administered by a separate Trust, which has taken a policy with LICGGF. The annual demand computed through actuarial valuation is charged to Statement of Profit and Loss and other comprehensive income.

Expenses Recognised during the period

(₹ in Lakh)

Particulars	2024-25	2023-24
In Income Statement	230.66	212.28
In Other Comprehensive Income	130.84	41.77
Net Liability	361.50	254.05

Assets and Liability (Balance Sheet Position)

(₹ in Lakh)

Particulars	2024-25	2023-24
Present Value of Obligation	3,267.39	3,022.77
Fair Value of Plan Assets	2,911.04	2,774.12
Surplus / (Deficit)	(356.35)	(248.65)
Effects of Asset Ceiling, if any	-	-
Net Assets / (Liability)	(356.35)	(248.65)

Changes in the Present Value of Obligation

(₹ in Lakh)

Particulars	2024-25	2023-24
Present Value of Obligation as at beginning	3,022.77	2,934.50
Current Service Cost	212.77	197.32
Interest Expense or Cost	217.49	219.08
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
- change in demographic assumptions		
- change in financial assumptions	140.57	67.88

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	2024-25	2023-24
- experience variance (Actual Vs assumptions)	(2.04)	(35.20)
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(324.16)	(360.82)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	3,267.40	3,022.77

Bifurcation of net liability

(₹ in Lakh)

Particulars	2024-25	2023-24
Current Liability (Short term)	-	-
Non-Current Liability (Long term)	356.34	248.65
Net Liability	356.34	248.65

Changes in the Fair Value of Plan Assets

(₹ in Lakh)

Particulars	2024-25	2023-24
Fair Value of Plan Assets as at the beginning	2,774.12	2,734.14
Investment Income	199.59	204.13
Employer's Contribution	253.80	205.76
Expenses	-	-
Employee's Contribution	-	-
Benefits Paid	(324.16)	(360.82)
Return on plan assets, excluding amount recognised in net interest expense	7.69	(9.09)
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	2,911.04	2,774.12

Expenses Recognised in the Income Statement

(₹ in Lakh)

Particulars	2024-25	2023-24
Current Service Cost	212.77	197.32
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Expected return on Asset	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	17.89	14.96
Actuarial Gain/Loss	-	-
Expenses Recognised in the Income Statement	230.66	212.28

Notes to Standalone Financial Statements

for FY 2024-25

Other Comprehensive Income

(₹ in Lakh)

Particulars	2024-25	2023-24
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	140.57	67.88
- experience variance (i.e. Actual experience vs assumptions)	(2.04)	(35.20)
- others	-	-
Return on plan assets, excluding amount recognized in net interest expense	(7.69)	9.09
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	130.84	41.77

Actuarial assumptions

(₹ in Lakh)

Particulars	2024-25	2023-24
Discount rate (per annum)	6.75%	7.20%
Salary growth rate (per annum)	8.00%	8.00%

Demographic assumptions

(₹ in Lakh)

Particulars	2024-25	2023-24
Mortality rate	100.00%	100.00%
Withdrawal rate (per annum)	Upto 3% based on age	Upto 3% based on age

Table of sample mortality rates from Indian Assured Lives Mortality 2012-14

Mortality (per annum)	Male	Female
Age		
20 years	0.092%	0.092%
25 years	0.093%	0.093%
30 years	0.098%	0.098%
35 years	0.120%	0.120%
40 years	0.168%	0.168%
45 years	0.258%	0.258%
50 years	0.444%	0.444%
55 years	0.751%	0.751%
60 years	1.116%	1.116%
65 years	1.593%	1.593%
70 years	2.406%	2.406%

Notes to Standalone Financial Statements

for FY 2024-25

Sensitivity analysis

(₹ in Lakh)

Particulars	31-Mar-25		31-Mar-24	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	3,267.39		3,022.77	
Discount Rate (- / + 1%)	3,622.73	2,968.22	3,326.02	2,766.42
(% change compared to base due to sensitivity)	10.9%	-9.2%	10.0%	-8.5%
Salary Growth Rate (- / + 1%)	3,073.67	3,460.29	2,855.40	3,194.00
(% change compared to base due to sensitivity)	-5.9%	5.9%	-5.5%	5.7%
Attrition Rate (- / + 1%)	3,214.88	3,309.04	2,961.15	3,071.68
(% change compared to base due to sensitivity)	-1.6%	1.3%	-2.0%	1.6%
Mortality Rate (- / + 10%)	3,266.00	3,268.76	3,021.26	3,024.26
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

Expected cash flows over the next (valued on undiscounted basis):

(₹ in Lakh)

1 year	454.55
2 to 5 years	942.94
6 to 10 years	1,121.40
More than 10 years	5,180.56

(ii) Leave obligations

The leave obligations cover the Company's liability for the earned leave. The retirement benefit relating to leave encashment is administered through a Group Leave Encashment Scheme with LIC of India. The annual demand computed through actuarial valuation is charged to Statement of Profit and Loss.

Bifurcation of net liability

(₹ in Lakh)

Particulars	31-Mar-25	31-Mar-24
Current Liability (Short term)	334.19	280.07
Non-Current Liability (Long term)	3,134.65	2,770.19
Net Liability	3,468.84	3,050.26

(iii) Pension

As per the Department of Defence Production, Ministry of Defence, GOI, Guidelines No.8(112)/2012/D(Coord/DDP) dt. 11.11.2013, the contribution to Pension Scheme has to be restricted to a maximum of 10% (7% with the approval of Board and 3% with the prior approval of the Ministry of Defence) of Basic+DA in a financial year.

The Current year contribution to pension fund has been paid @ 7% of Basic + DA in line with the MoD guidelines.

Notes to Standalone Financial Statements

for FY 2024-25

33. FINANCE COST

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Interest expense		
Cash Credit	12.50	30.56
Short Term Overdrafts	-	-
Interest expenses on Lease Liability	717.88	720.57
Interest - Others	5.56	30.91
Interest - Term Loan	2,208.83	2,675.47
Total	2,944.77	3,457.51

34. OTHER EXPENSES

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Travelling Expenses		
Travelling and conveyance	232.71	229.00
Hire of cars	25.01	27.36
Communication Expenses		
Postage & telephone	33.32	37.05
Repairs & maintenance expenses		
Buildings	588.03	703.10
Plant and machinery	794.07	871.67
Others	271.65	245.67
Rent, rates & taxes		
Rates and taxes	6.87	6.82
Rent	35.48	33.22
Printing and stationery		
Printing and stationery	13.92	15.55
Office maintenance expenses		
Security guard charges	1,163.42	962.25
Administration expenses-Others	130.64	291.15
Power & fuel		
Power and fuel	8,839.50	8,778.99
Sub-contractor expenses		
Sub-contractor expenses	7,510.41	8,313.18
General expenses		
CSR Expenses	399.76	477.02
Bad debts written off	55.84	103.95
Fixed Assets written off	-	25.55
Sales schemes	949.55	1,382.56
Library books	-	0.01
News paper and journals	0.90	1.01
Membership fees	24.40	21.82
Training expenses	21.96	24.18
Entertainment/courtesy expenses	1.88	1.84

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Hostel/guest house expenses net of income	21.87	32.84
Business promotion expenses	195.55	68.35
Directors sitting fees	11.44	8.49
Factory expenses	274.07	251.05
Advertisement	62.53	46.50
Water charges	202.52	230.41
Consumption of stores, loose tools and spare parts		
Consumption of stores, loose tools and spare parts	5,709.46	5,682.14
Insurance expenses		
Insurance	314.68	311.85
Professional charges		
Legal and professional fees	17.24	8.81
Internal Audit Fee	6.76	7.11
Consultancy charges	69.53	73.33
Contract professionals expenses	22.18	13.89
R& D Expenses		
R & D Contribution	0.07	2.36
Exchange fluctuation		
Exchange rate variance charged off	160.98	75.61
Auditors remuneration		
Auditor's remuneration	13.05	10.65
Finance & bank charges		
Bank charges	98.37	88.41
Provision for non moving inventories	-	41.35
Provision for Bad debts		
Provision for Doubtful Debts	22.11	-
Provision for Contingencies & Warranty		
Provision for Contingencies & Warranty	-	112.89
Total	28,301.73	29,618.99

Notes to Standalone Financial Statements

for FY 2024-25

Remuneration and other payments to the auditor

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Auditor		
(a) Statutory Audit & Limited Review	11.55	9.25
(b) Tax Audit	1.50	1.40
(c) Other Services	-	
Total	13.05	10.65

Details of Corporate Social Responsibility

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Promoting Education	81.43	92.48
Promotion of Skill development and Women empowerment	67.02	112.82
Promotion of Health	223.21	251.27
Other Projects	28.10	20.45
TOTAL	399.76	477.02

Additional details of Corporate Social Responsibility (CSR)

(₹ in Lakh)

Sl. No.	Particulars	For the Year Ended 31 st March 2025
(i)	Amount required to be spent by the company	391.28
(ii)	Amount of expenditure incurred	399.76
(iii)	Shortfall at the end of the year	0.00
(iv)	Total of previous years shortfall (For F.Y. 2023-24)	0.00
(v)	Reason for shortfall	No shortfall
(vi)	Nature of CSR activities	Promote Education, Skill development, Promote culture, Social and Sport activities and Promote health activities.
(vii)	Details of related party transactions	MIDHANI under CSR has envisaged to build a Primary Health Centre to provide medical services to the poor families residing in and around MIDHANI. The center shall cater to the basic needs of the patients by providing consultation, checkup, basic diagnostic tests & medicines at nominal charges. In F.Y. 2024-25, MIDHANI under CSR has spent an amount of ₹122.34 lakh towards manpower, organizing various camps, infrastructure development etc. Out of which ₹ 52.33 lakh has been contributed to MPHCC Trust towards payment of salaries to the staff working for MPHCC.
(viii)	Movement in provision with respect to liability incurred by entering into a contractual liability	Nil

Notes to Standalone Financial Statements

for FY 2024-25

35. INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in the equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Current tax		
Current tax on profits for the year	3,848.04	3,446.15
Earlier year tax	(0.49)	2.65
	3,847.55	3,448.80
Deferred tax		
Decrease (increase) in deferred tax liabilities	(716.55)	(510.32)
Total income tax expense	4,564.10	3,959.12

(b) Reconciliation of tax expense and the accounting profit multiplied India's tax rate

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025		For the Year Ended 31 st March, 2024	
Profit before tax		15,473.07		13,054.18
Tax at Indian tax rate of 25.168%		3,894.26		3,285.47
Add:				
Depreciation under Companies Act	6,348.12		5,855.20	
Disallowances under Sec 43B	-		-	
Disallowance under Sec 43 B (h)	-		26.21	
Provision for Doubtful Debts	22.11		(297.89)	
Provision for non moving stores and spares	(78.37)		41.35	
R&D expenditure	-		-	
Provision for contingency & warranty	(315.20)		112.89	
Provision for obselete items	-		-	
Provision for doubtful claims	-		-	
CSR Expenses	399.76		477.02	
OFB Deferred Exp (Net-off)	33.31		33.60	
VSSC Deferred Exp (Net-off)	-		-	
OFB-WPM Deferred Exp (Net off)	133.17		135.19	
AMTL Leave Provision	-		6.37	
Provision for Others	(99.00)		-	
Provision for advance to suppliers	-		-	
Others	-		-	
	6,443.90		6,389.94	
Less:				
Earlier years liability discharged in the current year	26.21		-	
Depreciation as per IT Act	6,616.89		5,753.71	
R & D weighted deductions	-		-	
	6,643.10		5,753.71	
Taxable Income	(199.20)	(50.13)	636.23	160.13

Notes to Standalone Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025		For the Year Ended 31 st March, 2024	
Tax Liability		3,844.13		3,445.60
Interest		3.91		0.55
Earlier Year Tax		(0.49)		2.65
MAT Credit Entitlement		-		-
Deferred Tax		716.55		510.32
Total		4,564.10		3,959.12

Financial instruments

36. Fair value measurements

A. Financial instruments by category

(₹ in Lakh)

Particulars	31 st March, 2025				31 st March, 2024			
	FVPL	FVOCI	Amortized Cost	Total	FVPL	FVOCI	Amortized Cost	Total
Financial assets								
Trade receivables	-	-	41,031.36	41,031.36	-	-	32,300.17	32,300.17
Cash and cash equivalents	-	-	5,101.81	5,101.81	-	-	1,661.37	1,661.37
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	2,058.60	2,058.60	-	-	1,712.32	1,712.32
Total	-	-	48,191.77	48,191.77	-	-	35,673.86	35,673.86
Financial liabilities								
Borrowings	-	-	23,407.78	23,407.78	-	-	32,414.13	32,414.13
Trade payables	-	-	9,326.59	9,326.59	-	-	11,997.30	11,997.30
Lease Liabilities	-	-	11,568.26	11,568.26	-	-	10,850.37	10,850.37
Other financial liabilities	-	-	11,534.32	11,534.32	-	-	13,189.16	13,189.16
Total	-	-	55,836.95	55,836.95	-	-	68,450.96	68,450.96

Note : For the purpose of above abbreviations, FVPL - Fair value through profit and loss; FVOCI - Fair value through other comprehensive income; Amortized cost - Fair value through amortized cost.

- (1) Assets that are not financial assets (such as receivables from statutory authorities, export benefit receivables, prepaid expenses, advances paid and certain other receivables) as of March 31, 2025, March 31, 2024 respectively, are not included.
- (2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) as of March 31, 2025, March 31, 2024 are not included.

(i) Fair value of financial asset and financial liabilities measured at amortized cost

The carrying amounts of trade receivables, trade payables, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Notes to Standalone Financial Statements

for FY 2024-25

37. Financial risk management

Risk management framework

The Company has a Board approved Risk Management Policy and the Risks involved at the various processes in the Company are also being discussed in the internal Production Review Meetings and Corporate Management Committee Meetings. The identification of the risk elements faced by the company is listed out in Management Discussion and Analysis and also listed out in the form of SWOT analysis.

The Company's risk management policies are established to identify and analyze 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 has put in place all required internal controls and systems to meet all the canons of financial propriety. External Audit firms who were engaged to carry out internal audit, continue their efforts to ensure adequacy of such systems, controls and report thereon which were subject to periodical review by Audit Committee appointed by the Board.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables	Aging analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements.

i. Credit risk

a) Credit risk management

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

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Majority of trade receivables of the Company, originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approved by Board. Whereas, for other customers risk is measured using the expected credit loss provisional matrix and provision is recognized accordingly.

Notes to Standalone Financial Statements

for FY 2024-25

b) Provision for expected credit loss

The Company provides for expected credit loss based on the following :

Expected credit loss for loans, security deposits

The Company's loans and security deposits are high quality assets having negligible credit risk, hence expected credit loss have not been computed

Expected credit loss for trade receivables

c) Reconciliation of loss allowance provision - trade receivables

(₹ in Lakh)

Loss allowance on 31st March, 2024	2,090.99
Changes in loss allowance	(507.99)
Loss allowance on 31st March, 2025	1,583.00

Expected credit loss on trade receivables has been disclosed in note 11

Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

At March 31, 2025, the maximum exposure to credit risk for trade receivables by geographic region was as follows.

Particulars	Carrying amount (₹ in Lakh)	
	March 31, 2025	March 31, 2024
India	40,169.59	33,423.41
Outside India	2,444.77	967.75
	42,614.36	34,391.16

At March 31, 2025, the maximum exposure to credit risk for trade receivables by type of counterparty was as follows:

Particulars	Carrying amount (₹ in Lakh)	
	March 31, 2025	March 31, 2024
Government, Government undertakings and other secured debts	41,727.39	32,556.22
Others	886.97	1,834.94
	42,614.36	34,391.16

Impairment

Majority of trade receivables originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approve by Board. Whereas, for private customers, provision is determined using expected credit loss provisional matrix.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 5,088.18 Lakh at March 31, 2025 (March 31, 2024: ₹ 1,647.66 Lakh).

The Company is investing in Fixed Deposits with various banks empanelled by the Investment Committee which is approved by the Board. All such deposits are made only with the approval of the Investment Committee. Further, management believes that cash and cash equivalents are of low risk in nature and hence no impairment has been recognized.

Notes to Standalone Financial Statements

for FY 2024-25

ii. Liquidity risk

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 have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Company ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains the following lines of credit.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lakh)

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 year to 2 years	Between 2 years to 5 years	More than 5 Years	Total
31st March, 2025							
Non derivatives							
Borrowings (Current and Non-current)	10499.99	7,999.91	1,000.00	2,000.00	1,907.88	-	23,407.78
Trade payables	9,217.77	-	108.82	-	-	-	9,326.59
Lease Liabilities	3,477.24	8.92	17.85	38.92	194.39	7,830.94	11,568.25
Other financial liabilities	1,756.29	8,196.73	1,471.47			109.83	11,534.32
Total non-derivative liabilities	24,951.29	16,205.56	2,598.14	2,038.92	2,102.27	7,940.77	55,836.95

iii. Market risk

(a) Foreign currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

(b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's external borrowings carries a fixed interest rate of 6.82 % per annum, hence, no interest rate risk has been determined.

Notes to Standalone Financial Statements

for FY 2024-25

38. Capital Management

(a) Risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. In comparison the weighted average interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 6.82 percent (2024: 7.02 percent).

The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

(₹ in Lakh)

Particulars	As at 31 st March, 2025
Total liabilities	1,49,968.47
Less : Cash and cash equivalent	5,088.18
Adjusted net debt	1,44,880.29
Total equity	1,41,447.93
Less : Hedging reserve	-
Adjusted equity	1,41,447.93
Adjusted net debt to adjusted equity ratio	1.02

39. Operating segments

The Company is in the business of manufacturing of super alloys and other special metals. As the Company is engaged in defence production, exemption was granted from applicability of Accounting Standard on Segment reporting under sec 129 of Companies Act, 2013 vide Notification dated 23rd February, 2018 of Ministry of Corporate Affairs.

40. Related party transactions

The President of India has an ownership interest of 74.00 %. MIDHANI is thus a Government entity under the administrative control of Ministry of Defence (MoD) and is exempt from detailed disclosures as required under Ind AS 24 with respect to related party transactions with Government and Government related entities.

Transactions with key management personnel

Key management personnel compensation

(₹ in Lakh)

Name of the party	31 st March, 2025					31 st March, 2024
	Salaries & wages	PF & EPS	Gratuity	Leave encashment	Total	Total
(a) Dr. Sanjay Kumar Jha, C&MD (Upto 31 st Dec, 2024)	66.58	-	-	29.36	95.94	96.06
(b) Shri N Gowri Sankara Rao, Director (F) & CFO	60.95	6.29			67.24	67.16
(c) Shri Muthu Kumar, Director (P & M)	75.21	8.23			83.44	81.93
(d) Shri Paul Antony, CS	18.97	2.32			21.29	23.11
Total	221.71	16.84	-	29.36	267.91	268.26

Notes to Standalone Financial Statements

for FY 2024-25

Joint Ventures:

During the year the company has made the following transactions with the JVs

(₹ in Lakh)

Name of Joint Venture	Nature of Transaction	Year ended 31.03.2025	Year ended 31.03.2024
Utkarsha Aluminium Dhatu Nigam Limited	Equity contribution	-	-
Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act, 2013)	Equity contribution	273.20	-

Balance at the end of reporting day

(₹ in Lakh)

Name of Joint Venture	Nature of Transaction	Year ended 31.03.2025	Year ended 31.03.2024
Utkarsha Aluminium Dhatu Nigam Limited	Investment in equity	2,000.00	2,000.00
Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act, 2013)	Investment in equity	273.20	-

41. Contingent liabilities and commitments (to the extent not provided for)

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
(i) Contingent liabilities		
Claims against the company not acknowledged as debt	20,300.82	18,322.89
Bank Guarantees	6,586.90	3,225.77
Letter of credit outstanding	412.74	6,361.34
Provisional Liquidated Damages on unexecuted customer order where the delivery date has expired	1,835.00	3,224.00
	29,135.46	31,134.00

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Capital commitments)	5,806.16	3,465.43
	5,806.16	3,465.43

Notes to Standalone Financial Statements

for FY 2024-25

42. Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of company

Particulars	31 st March, 2025	31 st March, 2024
Profit attributable to equity holders of the Company (₹ in Lakh)	11,006.87	9,126.32
Weighted average number of equity shares outstanding during the period	18,73,40,000	18,73,40,000
Face value of share (₹)	10	10
Earnings per share basic and diluted (₹ per share)	5.88	4.87

43. Imported Consumption

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
Raw Material	24,786.38	39,689.87
Consumables and Spares	566.78	484.88
Total	25,353.16	40,174.75

44. The Company has used the borrowings from banks for the specific purpose for which it was taken as at 31st March, 2025 and 31st March, 2024.

Notes to Standalone Financial Statements

for FY 2024-25

45. Additional Regulatory Information

- (i) Title deeds of Immovable Properties not held in name of the Company (other than properties where the Company is the lessee and the lessee agreements are duly executed in favour of the lessee)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
PPE	Land	128.82	DMRL, Ministry of Defence. However, in some land award proceedings, MIDHANI's name is mentioned as Super Alloy Plant at DMRL.	No	Since 1975/1977/1985/1986	Conveyance Deed for 275 Acres and 35 Guntas of land acquired which are through various Allotment/Award Letters/GO's are yet to be executed in the name of the Company. Most of them are allotted/granted by the undivided Govt. of AP earlier. In the said Grant proceedings, Midhani is mentioned as Super Alloy Plant of DMRL (Defence Organization). Further, out of this 1.5 Acres land is under dispute on account of unauthorized occupancy by third party.
	Building	-	-	-	-	-
Investment Property	Land					
	Building					Not Applicable
PPE retired from active use and held for disposal	Land					
	Building					Not Applicable
Others						Not Applicable

- (ii) During the year, the Company has not revalued its Property, Plant and Equipment and Intangible Assets.
- (iii) The Company has not granted Loans or Advances in the nature of loans to Promoters, Directors, KMP, and the related parties as defined under Companies Act, 2013, either severally or jointly with any other person.

(iv) Capital-Work-in Progress (CWIP) ageing schedule.

(₹ in Lakh)

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	2,389.85	118.93	-	-	2,508.78
Projects temporarily suspended	-	-	-	-	-

- (v) The quarterly returns or statements of current assets filed by the Company with banks where the Company has borrowings as on 31st March, 2025 are in agreement with the books of accounts.
- (vi) The Company has not made any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to Standalone Financial Statements

for FY 2024-25

(vii) The Company has created or modified the charges with Registrar of Companies (ROC) within the statutory period as specified in the Companies Act, 2013.

(viii) The Company has no subsidiary hence Section 2 (87) not applicable.

(ix) Analytical Ratios

Ratio	Numerator	Denominator	31 st March, 2025	31 st March, 2024	% of variance	Reason for variance (For more than 25%)
Current Ratio	Current Assets	Current Liabilities	2.61	2.28	14.47%	-
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.17	0.25	(32.00)%	Repayment of Working Capital Loan and Capex Loan
Debt Service Coverage Ratio	EBITDA	Debt service(Interest & Principal repayments)	0.94	0.63	49.21%	Increase in margin due to reduction in raw material cost.
Return on Equity (%)	Net profit after tax	Average Shareholder's Equity	8.05%	7.01%	14.84%	-
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	0.72	0.75	(4.00)%	-
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivables	2.93	3.36	(12.80)%	-
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	4.31	4.44	(2.93)%	-
Net Capital Turnover Ratio	Net Sales	Working capital	0.98	1.08	(9.26)%	-
Net Profit Ratio (%)	Net profit after tax	Net Sales	10.25%	8.51%	20.45%	-
Return on Capital Employed (%)	EBIT	Capital Employed	12.32%	11.63%	5.93%	-
Return on Investment (%)			Not applicable			

Notes to Standalone Financial Statements

for FY 2024-25

- 46.** As at 31st March, 2025, the company does not have any outstanding Commercial Paper and therefore, the disclosure requirements as per updated SEBI circular: SEBI/HO/DDHS/P/CIR/2021/613 dated 13th April, 2022 on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", information as required under regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 is not applicable.
- 47.** The Company has leases for various assets referred to in Note 3 of financial statements. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its Property, plant and equipment (Refer Note 3) The maturity analysis of Contractual Cash flows of Lease Liabilities is disclosed at Note 37(ii) of the financial statements."

48. Retention Sale

The value of Retention Sale (i.e., Goods retained with the Company at the customers' request and at their risk) included in Turnover during the year is ₹ 8,629.74 Lakh. Out of the above, the value of Ex-work sale is ₹ 7,839.04 Lakh.

- 49.** The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

Place: Hyderabad
Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-
Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Sd/-
Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Independent Auditor's Report

To
The Members of
Mishra Dhatu Nigam Limited
Hyderabad

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mishra Dhatu Nigam Limited ("the Company") and its joint controlled entity, which comprise the Balance Sheet as at 31st March 2025, Statement of Profit and Loss (including comprehensive income), Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('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 the accounting principles generally accepted in India, of the consolidated state of affairs of the company and its joint controlled entity as at 31st March 2025, of consolidated profit, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants ("ICAI") of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules made thereunder, 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 consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have identified in the current year are as follows:

Key Audit matter	How the matter was addressed in our audit
<p>i) Revenue Recognition:</p> <p>Refer Accounting Policy Note No.2.3 and Note No. 28 to the Consolidated financial statements.</p> <p>Revenue Recognition was identified as a key audit matter as the Company as well as its external stakeholders focuses on Revenue as a key performance indicator. This could create an incentive for revenue to be overstated or recognized before control has been transferred. The standard on Revenue establishes a comprehensive framework for determining when, how and under what conditions Revenue could be recognized.</p>	<p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to revenue recognition on selected transactions. 2. Examined whether the basis of recognition of revenue is in accordance with the applicable accounting standards. 3. Checked the underlying documentation to verify that the control and ownership has been transferred to the customer on sale.

Key Audit matter	How the matter was addressed in our audit
<p>Accordingly, this involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognition.</p>	<ol style="list-style-type: none"> 4. Verified whether the company has instituted adequate cut off procedures in relation to sales. 5. Carried out analytical procedures on revenue recognized during the year to identify unusual variances, if any. <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>
<p>ii) Inventory:</p> <p>Refer Accounting Policy No.2.8, Note No. 10 and 31 to the Consolidated financial statements.</p> <p>Inventory was identified as a key audit matter as the Company as well as its external stakeholders focus on Inventory as a key financial and operational indicator. This could create an incentive for inventory to be overstated. Inventory valuation involves certain key managerial judgements including accounting estimates that have been identified as having high estimation uncertainty in measuring inventory valuation.</p>	<p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to Inventory. 2. Review of physical verification of inventory with the company and held by Job workers. 3. For inventory held with Job Workers, wherever physical verification was not conducted, verified confirmations received by management at the year end. 4. Ensured that appropriate adjustments are made to inventory wherever variances were observed in physical verification and in the review of external confirmations. 5. Examined the inventory valuation policies and methods used for its appropriateness and compliance with the applicable accounting standards. 6. Substantive checking of inventory records to ensure compliance with the relevant accounting policies adopted. 7. Examined whether the company has instituted appropriate cut off procedures for recognition of inventory. 8. Performed analytical review procedures in relation to inventory. <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>
<p>iii) Consumption of Raw Material</p> <p>Refer Note No. 30 to Consolidated financial statements.</p> <p>Cost of material consumed is identified as a key audit matter as the Company as well as its external stakeholders focus on Inventory as a key operational indicator. Cost of material consumed is a substantial portion of the total production costs, and the same is a significant part of total expense for the Company. Given the complexity involved in production processes, gap between input and output, there is a risk of costs may not be accurately ascertained, allocated or recorded that could lead to potential misstatements.</p>	<p>How the matter was addressed in audit</p> <p>Following audit procedures were performed, considering the significance of the matter, amongst others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"> 1. Evaluated the design of key controls and the operating effectiveness of the relevant key controls with respect to procurement, issues, consumption, allocation, recording and recognition of Inventory in respect of Raw Material, reusable scrap and WIP. 2. Substantive checking of material procurement and its recording to ensure compliance with the relevant accounting policies adopted and the applicable accounting standards.

Key Audit matter	How the matter was addressed in our audit
	<ol style="list-style-type: none"> 3. Substantive checking of recording consumption and allocation to WIP to ensure compliance with the relevant accounting policies adopted. 4. Substantive checking of inventory records to ensure compliance with the relevant accounting policies adopted. 5. Performed analytical review procedures in relation to inventory consumption. <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

Note No. 9 (Other Non-Current Assets), Note No.11 (Current Financial Assets Trade Receivables), Note No. 14 (Current Financial Assets - Others), Note No. 15 (Other Current Assets), Note No. 22 (Other Non-current Liabilities), Note No. 24 (Current Financial Liabilities - Trade Payables), Note No. 25 (Current Financial Liabilities Others) and Note No. 26 (Other Current Liabilities) to the consolidated financial statements are subject to receipt of confirmation of balances/reconciliation.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Information other than the consolidated financial statements and auditors' report thereon

The Company's boards of directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annual Report on CSR Activities, Management Discussion & Analysis Report, Business Responsibility Report, Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo, Report on Corporate Governance annexed thereto, Shareholder Information and other information contained in Annual Report but does not include the consolidated financial statements and our report thereon. These reports are expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the consolidated financial statements

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

used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company and its jointly controlled entity, as aforesaid.

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

The respective Board of Directors of the company and its jointly controlled entity are also responsible for overseeing the Company's financial reporting process of each company and of the joint controlled entity.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the 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.

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the business activities of the Company and its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in.

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

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

Other Matters

The accompanying consolidated financial statements include the Company's share of Net Profit of Rs. 76.87 Lakhs for the year ended March 31, 2025, as considered in consolidated financial statements, in respect of M/s. Utkarsha Aluminium Dhatu Nigam Limited, a jointly controlled entity, whose financial statements have not been audited by us. The financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entity and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of other auditor.

Our opinion on the consolidated financial statements, and our "Report on Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and financial statements certified by the Board of Directors.

Report on other legal and regulatory requirements

1. As required by Section 143(5) of the Act, we give in Annexure "A" a statement on the matters contained in directions issued by the Comptroller and Auditors General of India, the action taken thereon and its impact on the accounts and consolidated financial statements of the Company and its jointly controlled entity.
2. As required by Section 143(3) of the Act, 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 of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditor;
 - c) The consolidated balance sheet, the consolidated statement of profit and loss, consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the IND AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) As per Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. No.463 (E) dated 05.06.2015, Government companies are exempt from the applicability of the provisions of section 164(2) of the Act and on the basis of the reports of the statutory auditor of its jointly controlled entity incorporated in India, none of the director of the jointly controlled entities is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Company and its jointly controlled entity have pending litigations, the liabilities in respect of which is either provided for or disclosed as contingent liabilities - Refer Note 41 of the Notes on accounts to the consolidated financial statements. The company has disclosed the impact of these pending litigations on the consolidated financial position of the Company including its jointly controlled entity is subject to their judicial outcome;

- b. The Company including its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company or its jointly controlled entity incorporated in India; and
- d. (i) The respective managements of the company and its jointly controlled entity which are companies incorporated in India have represented to us and the other auditor of such jointly controlled entity that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or its jointly controlled entity to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or jointly controlled entity ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The respective managements of the company and its jointly controlled entity have represented, to us and other auditor of such jointly controlled entity that, to the best of its knowledge and belief, no funds have been received by the company or its jointly controlled entity from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company or jointly controlled entity shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as were considered reasonable and appropriate in the circumstances nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- h) Based on our examination and the report of Auditor of Jointly controlled entity, the company and its jointly controlled entity have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) and the same has operated throughout the year. Further, there were no instances of audit trail feature being tampered with.

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayana Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICMF5534

Annexure “A” to the Independent Auditor’s Report

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 OF MISHRA DHATU NIGAM LIMITED

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

Reports on the directions under 143(5) of Companies Act,2013 issued by the Comptroller and Auditor General of India

Sl. No.	Directions u/s. 143(5) of the Companies Act, 2013	Auditor’s Reply on action taken on the directions	Impact
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Company is using Oracle ERP software to record all business and financial transactions including Purchase Accounting, Sales Accounting, and Inventory transactions, Production transactions, Accounts Payable, Accounts Receivable, Fixed Assets, Payroll, Oracle Process Manufacturing and General Ledger and all the modules are integrated with one another. The software itself has built in checks and validations between inter related modules. Accordingly, the data accuracy and integrity are maintained. All payment approvals are processed using the approval hierarchy defined in Oracle Module. All the accounting transactions are processed and the Trial Balance is generated from Oracle based ERP System. In view of the above, we confirm that no financial transactions are carried out outside IT systems and hence there is no financial implication on the integrity of the accounts during the Financial Year 2024-25.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the Company’s inability to repay the loan? If yes, the financial impact may be stated:	According to the information and explanation furnished to us and based on our examination of books, there is no restructuring of an existing loan or cases of waiver / write-off of debts / loans/ interest etc. made by a lender to the company during the financial year 2024-25.	NIL
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as Per its term and conditions? List the cases of deviation.	Based on the examination of the books and records of the company, during the Financial Year 2024-25, no funds were received by the Company for any specific schemes.	NIL

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayana Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICMF5534

Annexure “B” to the Independent Auditor’s Report

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 OF MISHRA DHATU NIGAM LIMITED

(Referred to in paragraph 2 (f) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report to the Members of Mishra Dhatu Nigam Limited for the year 24-25)

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”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of MISHRA DHATU NIGAM LIMITED (hereinafter referred to as (“the Company”) and considered the auditors’ reports on Internal Financial Controls over financial reporting of its jointly controlled entity, which are companies incorporated in India, as of that date.

The financial statements of the jointly controlled entity have been audited by other auditor whose reports has been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to this jointly controlled entity, is based solely on the reports of the other auditor.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the jointly controlled entity, which are companies incorporated in India, is based on the corresponding report of the other auditor of such company.

Management’s responsibility for internal financial controls

The respective board of directors of the Company and jointly controlled entity incorporated in India are 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, 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.

Auditors’ 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 were 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 in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 and according to the information and explanations given to us, the Company and its jointly controlled entity, which are incorporated in India, have, in all material respects, an adequate internal financial control 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.

For Anjaneyulu & Co
Chartered Accountants
FRN – 000180S

K. Narayana Murthy
Partner

Date: 28th May, 2025
Place: Hyderabad

Mem No. 026012
UDIN: 25026012BMICMF5534

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MISHRA DHATU NIGAM LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2025

The preparation of consolidated financial statements of **Mishra Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **Mishra Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2025 under section 143(6)(a) read with section 129(4) of the Act. **We conducted a supplementary audit of the financial statements of Mishra Dhatu Nigam Limited, Hyderabad but did not conduct supplementary audit of the financial statements of Utkarsha Aluminium Dhatu Nigam Limited, Hyderabad for the year ended on that date.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give raise to any comment upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India


(Rajesh Ranjan)

Principal Director of Audit, Defence - Commercial

Place: Bengaluru
Date: 17 July 2025

Consolidated Balance Sheet

as at 31st March, 2025

(₹ in Lakh)

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS:			
Non-current assets			
Property, Plant and Equipment	3	1,07,119.42	1,02,777.80
Capital work-in-progress	5	2,508.78	8,305.75
Other Intangible assets	4	284.07	373.16
Financial Assets			
(i) Investments	6	2,532.22	2,182.15
(ii) Loans	7	-	-
Non current tax assets (Net)	8	-	-
Other non-current assets	9	360.95	195.19
Total Non-Current Assets		1,12,805.44	1,13,834.05
Current assets:			
Inventories	10	1,28,097.93	1,30,971.81
Financial Assets			
(i) Trade receivables	11	41,031.36	32,300.17
(ii) Cash and cash equivalents	12	5,088.18	1,647.66
(iii) Bank balances [other than (ii) above]	13	13.63	13.71
(iv) Others	14	2,058.60	1,712.32
Other current assets	15	2,370.17	10,063.03
Total Current Assets		1,78,659.87	1,76,708.70
Total Assets		2,91,465.31	2,90,542.75
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	18,734.00	18,734.00
Other Equity	17	1,22,762.84	1,13,182.34
Total Equity		1,41,496.84	1,31,916.34
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	3,907.88	5,914.13
(ia) Lease Liabilities		8,064.25	8,099.94
(ii) Others	19	109.83	109.83
Provisions	20	232.45	207.71
Deferred tax liabilities (net)	21	5,184.33	4,467.78
Other non-current liabilities	22	63,913.32	62,312.67
Total Non-current liabilities		81,412.06	81,112.06
Current Liabilities			
Financial liabilities			
(i) Borrowings	23	19,499.90	26,500.00
(ia) Lease Liabilities		3,504.01	2,750.43
(ii) Trade payables	24		
(A) Micro enterprises and Small Enterprises		554.15	768.39
(B) Other than Micro enterprises and Small enterprises		8,772.44	11,228.91
(iii) Others	25	11,424.49	13,079.33
Other current liabilities	26	21,765.35	20,233.92
Provisions	27	3,036.07	2,953.37
Total Current Liabilities		68,556.41	77,514.35
Total Equity and Liabilities		2,91,465.31	2,90,542.75

The accompanying notes 1 to 51 form an integral part of the consolidated financial statements.
Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

Place: Hyderabad
Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-
Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

Sd/-
Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2025

(₹ in Lakh)

Particulars	Note No.	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Income			
Revenue From Operations	28	1,07,410.15	1,07,267.45
Other Income	29	3,092.15	2,993.52
Total Income		1,10,502.30	1,10,260.97
Expenses			
Cost of material consumed	30	42,222.15	52,347.25
Change in inventories of finished goods, work-in-progress and stock-in-trade	31	847.77	(7,497.04)
Employee benefits expense	32	14,233.86	13,383.11
Finance Costs	33	2,944.77	3,457.51
Depreciation and amortization expense	3, 4	6,348.12	5,855.20
Other expenses	34	28,301.73	29,618.99
Total Expenses		94,898.40	97,165.02
Profit / (Loss) before exceptional items and tax		15,603.90	13,095.95
Exceptional Items - Income / (Expense)		-	-
Share of Profit / (Loss) of Joint Venture		76.87	51.86
Profit / (Loss) before tax		15,680.77	13,147.81
Tax expense			
Current Tax	35	3,880.97	3,456.66
Earlier Year Tax		(0.49)	2.65
MAT Credit Entitlement		-	-
Deferred Tax		716.55	510.32
Profit / (Loss) for the period		11,083.74	9,178.18
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(130.83)	(41.77)
(ii) Income tax relating to items that will not be reclassified to profit or loss		32.93	10.51
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
C Share of other comprehensive income of joint venture		-	-
Other comprehensive income for the year net of tax		(97.90)	(31.26)
Total Comprehensive Income for the period		10,985.84	9,146.92
(Comprising Profit / (Loss) and Other Comprehensive Income for the period)			
Earning per equity share (Amount in ₹)			
Basic (₹)		5.92	4.90
Diluted (₹)		5.92	4.90
Weighted average number of shares (Nos.) (Basic & Diluted)		18,73,40,000	18,73,40,000

The accompanying notes 1 to 51 form an integral part of the consolidated financial statements.
Subject to our report of even date

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
CA K Narayana Murthy
Partner
Membership No.026012

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Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Consolidated Statement of Changes in Equity

as at 31st March, 2025

A. Equity Share Capital

(1) As at 31st March, 2025

(₹ in Lakh)

Balance as at 1 st April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2024	Changes in share capital during the F.Y. 2024-25	Balance as at 31 st March, 2025
18,734.00	-	18,734.00	-	18,734.00

(2) As at 31st March, 2024

Balance as at 1 st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2023	Changes in share capital during the F.Y. 2023-24	Balance as at 31 st March, 2024
18,734.00	-	18,734.00	-	18,734.00

B. Other Equity

(1) As at 31st March, 2025

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Retained Earnings	General Reserve	Other items of Other Comprehensive Income	
Opening Balance as at 1st April, 2024	6,651.98	1,06,475.87	54.49	1,13,182.34
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April, 2024	6,651.98	1,06,475.87	54.49	1,13,182.34
Profit for the Period	11,083.74	-	-	11,083.74
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	(97.90)	(97.90)
Dividends	(1,405.34)	-	-	(1,405.34)
Transfer to General Reserve	(8,100.00)	8,100.00	-	-
Balance as at 31st March, 2025	8,230.38	1,14,575.87	(43.41)	1,22,762.84

Consolidated Statement of Changes in Equity

as at 31st March, 2025

(2) As at 31st March, 2024

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Retained Earnings	General Reserve	Other items of Other Comprehensive Income	
Opening Balance as at 1st April, 2023	9,843.98	99,875.87	85.75	1,09,805.60
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April, 2023	9,843.98	99,875.87	85.75	1,09,805.60
Profit for the Period	9,178.18	-	-	9,178.18
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	(31.26)	(31.26)
Dividends	(5,770.18)	-	-	(5,770.18)
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	(6,600.00)	6,600.00	-	-
Balance as at 31st March, 2024	6,651.98	1,06,475.87	54.49	1,13,182.34

The accompanying notes 1 to 51 form an integral part of the consolidated financial statements.

Subject to our report of even date

for and on behalf of the Board of Directors

Sd/-

Dr. S.V.S. Narayana Murty
Chairman & Managing Director
DIN: 11065319

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-

CA K Narayana Murthy
Partner
Membership No.026012

Sd/-

Shri. Gowri Sankara Rao Naramsetti
Director (Finance)
DIN: 08925899

Sd/-

Shri Paul Antony
Company Secretary
Memb. No.A29037

Place: Hyderabad
Date: 28-05-2025

Consolidated Statement of Cash Flow

for the year ended 31st March, 2025

(₹ in Lakh)

Particulars	For the Period Ended 31 st March, 2025	For the Year ended 31 st March, 2024
Cash flows from operating activities		
Profit/(loss) for the year (before tax)	15,680.77	13,147.81
Adjustments for:		
Share of Profit / Loss of Joint Venture	(76.87)	(51.86)
Depreciation expense	6,348.12	5,855.20
Finance costs	2,226.89	2,736.94
Interest on Lease Liability	717.88	720.57
Interest income	(720.23)	(551.79)
Deferred Income from customer funded assets/Grant	(864.67)	(864.67)
Other Comprehensive Income	(130.83)	(41.77)
Profit / Loss on sale of Fixed Assets	(5.90)	25.55
	23,175.16	20,975.98
Working capital adjustments:		
(Increase) decrease in inventories	2,873.88	(8,487.44)
(Increase) decrease in trade receivables and loans	(8,731.19)	(720.28)
(Increase) decrease in other financial assets	(180.34)	(789.92)
(Increase) decrease in other non-current assets	-	-
(Increase) decrease in other current assets	7,643.48	7,896.82
Increase (decrease) in trade payables	(2,670.71)	(2,580.40)
Increase (decrease) in other financial liabilities	194.24	1,011.50
Increase (decrease) in provisions	(106.06)	(73.65)
Increase (decrease) in non-current liabilities	1,600.65	3,767.38
Increase (decrease) in other current liabilities	1,531.43	3,943.74
Cash generated from operating activities	25,330.54	24,943.73
Income tax paid (net)	(3,634.05)	(3,380.08)
Net cash from/(used in) operating activities (A)	21,696.49	21,563.65
Cash flow from investing activities		
Acquisition of property, plant and equipment (Net)	(6,769.14)	(7,906.44)
Deferred Income from customer funded assets/grant	864.67	864.67
Profit / Loss on sale of Fixed Assets	5.90	(25.55)
Investment in other projects	(273.20)	-
Interest received	554.29	551.79
Investment in fixed deposits	(4,000.00)	-
Net cash from/(used in) investing activities (B)	(9,617.48)	(6,515.53)
Cash flows from financing activities		
Repayment of Borrowings	(26,500.00)	(31,999.63)
Availment of borrowings	17,493.65	25,678.46
Dividend on shares	(1,405.26)	(5,771.46)
Lease Liability	717.89	720.57
Interest on Lease Liability	(717.88)	(720.57)
Interest paid	(2,226.89)	(2,736.94)
Net cash flow from (used in) financing activities (C)	(12,638.49)	(14,829.57)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(559.48)	218.55

Consolidated Statement of Cash Flow

for the year ended 31st March, 2025

(₹ in Lakh)

Particulars	For the Period Ended 31 st March, 2025	For the Year ended 31 st March, 2024
Cash and cash equivalents at 1 April	1,647.66	1,429.11
Cash and cash equivalents at the reporting date	1,088.18	1,647.66
Reconciliation of cash and cash equivalents as per the balance sheet		
Cash and cash equivalents as per the cash flow statement	1,088.18	1,647.66
Other bank balances not considered above		
- Term Deposit	4,000.00	-
Cash and cash equivalents (including Term Deposits) at the reporting date	5,088.18	1,647.66

The accompanying notes 1 to 51 form an integral part of the consolidated financial statements.

Subject to our report of even date

for and on behalf of the Board of Directors

for **ANJANEYULU & CO.**
Chartered Accountants
Firm's registration no. 000180S

Sd/-
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Place: Hyderabad
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Director (Finance)
DIN: 08925899

Sd/-
Shri Paul Antony
Company Secretary
Memb. No.A29037

Consolidated Significant Accounting Policies

1. GENERAL INFORMATION

Mishra Dhatu Nigam Limited (“the Company”) a Government of India enterprise was set up in 1973 and is engaged in the business of manufacturing of superalloys, titanium, special purpose steel and other special metals. The Company has its registered office at ‘P.O. Kanchanbagh, Hyderabad, 500058’.

The company has made strategic investment in a joint venture company M/s. Utkarsha Aluminium Dhatu Nigam Limited for furtherance of its business in the area of Aluminium based alloys.

The Company has made strategic investment in a Joint Venture Company M/s. Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act) for development, operation and maintenance of Defence Testing Infrastructure (DT) of Mechanical and Material Testing Facility in UP Defence Industrial Corridor, Lucknow.

The Financial Statements for the period ended 31st March 2025 are approved by the Board of Directors and authorized for issue on 28th May, 2025 by Board.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

i. Statement of compliance

The consolidated financial statements of the company and its joint venture are prepared and presented in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

ii. Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company and its Joint venture and the currency of the primary economic environment in which the entities operate. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and per share data.

iii. Use of estimates and judgment

The preparation of consolidated financial statements are in conformity with Ind AS require estimates and assumptions to be made that affect the application of accounting policies and reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

2.2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

2.3 Revenue recognition

Revenue is recognized when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Revenue from the sale of manufactured goods is recognized upfront at the point in time when the goods are delivered to the customer. The supply of alloys may include supply of third-party equipment or material. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the company and its joint venture is acting as the principal or as an agent of the customer. The company and its joint venture recognize revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, liquidated damages, performance bonuses and incentives, if any, as specified in the contract with the customer.

Revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. The appropriate timing for transfer of risks and rewards varies depending on the individual terms and conditions of the sales contract.

Consolidated Significant Accounting Policies

In case of Ex-works contract, revenue is recognized when the goods are handed over to the carrier/agent for dispatch to the buyer and wherever customer's prior inspection is stipulated; revenue is recognized upon acceptance by customer's inspector.

In case of sales on FOR/FOB destination contracts, revenue is recognized considering the expected time in respect of dispatches to reach the destination within the accounting period, subject to adjustments based on actual receipt of material at destination.

Claims for additional revenue in respect of sales contracts/orders against outside agencies are accounted on certainty of realization.

Revenue on rendering of service: Revenue is recognized when the outcome of the services rendered can be estimated reliably. Revenue is recognized in the period when the service is performed by reference to the contract stage of completion on the reporting date.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Customer contributed equipment to facilitate Company's fulfilment of contract are accounted as non-cash consideration received from Customer and are measured at fair value.

Use of significant judgments in revenue recognition:

The contracts of the Company and its joint venture with its customers could include promises to transfer multiple

products and services to a customer. The Company and its joint venture assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. Variable considerations are allocated to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company and its joint venture use judgment to determine an appropriate standalone selling price for a performance obligation. Transaction price is allocated to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, expected cost plus margin approach used to allocate the transaction price to each distinct performance obligation.

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

Consolidated Significant Accounting Policies

Contract fulfillment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. The assessment of this criterion requires the application of judgment, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.4 Foreign currencies

Foreign currency monetary items are recorded in the Functional Currency at the closing rate of the reporting period. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognized as expense or income in the period in which they arise.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through consolidated statement of profit and loss.

2.5 Employee benefits

i. Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in the consolidated statement of profit and loss in the periods during which services are rendered by employees. Post Retirement Medical Benefit Scheme (PRMBS) and Pension Scheme are classified under this category.

ii. Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in 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 discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan. An economic benefit is available if it is realizable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the consolidated statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the consolidated statement of profit and loss. All actuarial gains and losses arising from defined benefit plans recognized in other comprehensive income.

The Gratuity and contribution towards Provident Fund classified under this category.

iii. Compensated Absence

The liability towards compensated absences is accounted based on actuarial valuation done as at the balance sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long term component accounted on a discounted basis and the short term component which is accounted for on an undiscounted basis.

iv. Other Employee Benefits

Other employee benefits are estimated and accounted for based on the terms of the employment contract.

Consolidated Significant Accounting Policies

2.6 Property, plant and equipment

Land is capitalized at cost to the Company. Development of land such as leveling, clearing and grading is capitalized along with the cost of building in proportion to the land utilized for construction of building and rest of the development expenditure is capitalized along with the cost of land. Development expenditure incurred for the purpose of landscaping or for any other purpose not connected with construction of any building is treated as cost of land.

All other items of Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The company opted to adopt the previous GAAP value as the 'deemed cost' for the purposes of preparation of opening balance sheet as at 01 April 2015.

The cost of property, plant and equipment includes expenditures arising directly from the construction or acquisition of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, when there is an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The cost of replacing a part of an item is recognized in the carrying amount of the item of property, plant and equipment, if the following recognition criteria are met:

- a) It is probable that future economic benefits associated with the item will flow and;
- b) The cost can be measured reliably.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Useful lives of the significant components are estimated by the internal technical experts.

The carrying amount of the replaced part is de-recognized at the time the replacement part is recognized. The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in consolidated statement of profit and loss when the item is de-recognized. The costs of the day-to-day servicing of the item are recognized in consolidated statement of profit and loss as incurred.

The present value of expected cost for the dismantling and restoration are included in the cost of respective assets if recognizing criteria for provision are met.

Pending disposal, unserviceable fixed assets are removed from the Fixed Assets Register and shown under "Other Current Assets" as a separate line item at the lower of their net book value and net realizable value. As and when the disposal of such assets takes place, the difference between the carrying amount and the amount actually realized will be recognized as Loss / Profit from sale of Fixed Assets.

Advance paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advance under "Other non-current assets" and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'.

As per para 8 of Ind AS 16, items such as spare parts, stand-by equipment and servicing equipment are recognized in accordance with this Ind AS when they meet the definition of property, plant and equipment and are expected to be used for more than one accounting year. Otherwise, such items are classified as inventory.

Depreciation

Depreciation is calculated using the straight line method to allocate their cost, net of residual values, over the estimated useful life.

The useful lives have been determined to be equal to those prescribed in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets whose actual cost does not exceed Rs.5000/-, depreciation is provided at the rate of hundred percent in the year of capitalization.

Disposal:

Gain and losses on disposal are determined by comparing net sale proceeds with carrying amount. These are included in consolidated statement of profit and loss.

2.7 Intangible assets

i. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives.

Consolidated Significant Accounting Policies

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

ii. De-recognition of intangible assets

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in consolidated statement of profit and loss when the asset is de-recognized.

iii. Useful lives of intangible assets

Amortization is calculated using the straight line method to allocate their cost, net of residual values, over the estimated useful life.

The useful lives have been determined in accordance with guidance provided at Schedule II to the Companies Act, 2013.

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.8 Inventories

Inventories are valued on the following basis:

i. Raw materials, consumables, spares and Tools and Instruments in Central Stores

At weighted average cost.

ii. Raw materials in Shop floor/ Sub-stores in the shops

At weighted average rate of Central Stores, at the end of the year.

iii. Consumables in Shop floor/Sub-stores

All consumables drawn from the Central Stores are charged off to expense. Only in respect of 'A' and 'B' class consumables identified by Management from time to time, the stock at the Shop floor/Shop sub-stores are brought to inventory at the close of the year at the weighted average rate. However, moulds, rolls, dies etc., in use at the close of the year, are valued at issue rates with reference to the balance life, technically estimated.

iv. (a) Re-usable process scrap, process rejections and sales rejections with customers for return

At estimated realizable value for scrap.

(b) Scrap Identified for Sale

At estimated realizable value or market value whichever is less.

v. Tools and Gauges

Issued tools, instruments, gauges etc. are amortized uniformly over their estimated life.

vi. Work-in-process

At cost or estimated realizable value appropriate to the stage of production based on technical evaluation, whichever is less. However, the WIP of 5 years old and above is valued at the realizable scrap rate.

vii. Finished Goods

At cost or net realizable value (at shop finished stage) whichever is less. However, the Finished Goods of 5 years old and above is valued at the realizable scrap rate.

viii. Goods in transit are valued at cost.

ix. Stores declared surplus / unserviceable are transferred to salvage stores for disposal, and charged to revenue.

x. Provision for the non-moving raw materials, consumables and spares for over three years is made as under:

Raw materials: 85% of the book value

Consolidated Significant Accounting Policies

Consumables and Spares (which do not meet definition of PPE): 50% of the book value

- xi.** Stationery, uniforms, medical and canteen stores are charged off to revenue at the time of receipt.

2.9 Investments in Associates and Joint Ventures

An associate is an entity over which the Company has significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of associates or joint ventures are incorporated on these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or joint venture is initially recognized in the consolidated balance sheet at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate or joint venture.

Distributions received from an associate or a joint venture reduces the carrying amount of the investment. When the company's share of losses of an associate or a joint venture exceeds the company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the company's net investment in the associate or joint venture), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint

venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If, there exists such an objective evidence of impairment, then it is necessary to recognize impairment loss with respect to the Company's investment in an associate or joint venture.

When necessary, the entire carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

For the purpose of consolidation the use of the equity method is discontinued from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognized

Consolidated Significant Accounting Policies

in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities.

The equity method is continued when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the ownership interest in an associate or a joint venture is reduced but the use of equity method is continued, the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest is reclassified to profit or loss if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

2.10 Income tax

Tax expense represents the sum of current tax and deferred tax

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The current tax assets and current tax liabilities are off-set, where there is a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

2.11 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation taking into account the risks and uncertainties surrounding the obligation.

A provision for onerous contracts is recognized when the expected benefits to be derived from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such provision is made, impairment loss if any is recognized on the assets associated with that contract.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.12 Financial instruments

i. Financial assets

The Company and its joint venture initially recognizes its Loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company and its joint venture becomes a party to the contractual provisions of the instrument.

The Company and its joint venture de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained is recognized as a separate asset or liability. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, there is a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Consolidated Significant Accounting Policies

A financial asset shall be measured at amortized cost if both of the following conditions are met:

the financial asset is held within a business model whose objective is to hold financial 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.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Except Trade Receivables, financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets include security deposits, cash and cash equivalents, trade receivables and eligible current and non-current assets.

Cash and cash equivalents comprise cash balances and term deposits with original maturities of one year or less. Bank overdrafts that are repayable on demand and form an integral part of the Company and its joint venture's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

ii. Financial liabilities

The Company and its joint venture initially recognize debt securities issued and subordinated liabilities on the date that they are originated and all other financial liabilities are recognized initially on the trade date at which it becomes a party to the contractual provisions of the instrument.

The Company and its joint venture de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include loans and borrowings and trade and other payables.

Such financial liabilities are recognized initially at fair value through profit or loss and stated net off

transaction cost that are directly attributable to them. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

2.13 Impairment

i. Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company and its joint venture on terms that would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

ii. Non-financial assets

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

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

Consolidated Significant Accounting Policies

Recoverable amount is the higher of the fair value less costs of disposal 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.

2.14 Borrowing costs

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenure of respective loans using effective interest method.

2.15 Finance income and costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in the consolidated statement of profit and loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognized on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the consolidated statement of profit and loss using the effective interest method.

2.16 Earnings per share

The Company and its joint venture presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

2.17 Segment reporting

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company is in the business of manufacturing of super alloys and other special metals. Considering the core activities of the Company, management is of the view that the Company operates a single business segment.. Therefore, there is no other reportable segment.

2.18 Claims by / against the Company:

Claims on underwriters/carriers towards loss / damage are accounted when monetary claims are preferred.

Claims for refund of customs duty including project imports/port trust charge/excise duty are accounted on acceptance/receipt.

Liquidated Damages on suppliers are accounted on recovery.

Liquidated damages levied by the customers are netted-off from revenue on recovery/advice by the customers. A provision is created for the likely claims of Liquidated Damages for shipments made where a reliable estimation can be made.

Disputed/Time barred debts from Govt. Depts. & PSUs are not treated as Doubtful Debts. However, on a review appropriate provisions/write offs are made in the books of accounts on a case to case basis.

Provision for Doubtful Debts is made on the amounts due from other than Govt. Depts. & PSUs using expected credit loss provisional matrix.

Provision for Contingencies & Warranty to take care of rejected / returned material by customers is provided at an average of percentages of rejections over turnover related to manufactured products for the previous 5 years.

2.19 Research and development expenses:

Research expenditure is charged to the consolidated Statement of Profit and Loss. Development costs of products are also charged to the consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

Consolidated Significant Accounting Policies

Expenditure incurred towards other development activity where the research results or other knowledge is applied for developing new or improved products or processes, are recognized as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, and has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

2.20 Physical verification of Fixed Assets and Inventory:

Fixed Assets under the heads Land & Development, Roads & Bridges, Drainage, Sewerage and water system and Buildings & Internal Services are verified once in 3 years. All other Fixed Assets are verified once in the Financial Year.

Inventories of work-in-process, finished goods, raw materials and consumables in the Company premises are verified at the end of the financial year.

Inventories of raw materials, stores and spares in the Central Stores are verified on perpetual basis as per norms fixed from time to time and reconciled. Provisional adjustments are made to revenue, in respect of discrepancies pending reconciliation.

2.21 Cash Flow Statement:

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7- Statement of Cash Flows.

2.22 New standards and interpretations not yet effective:

A number of new standards, amendments to standards and interpretations are not yet effective as on the reporting date, and have not been applied in preparing these consolidated financial statements. The effect of the same is being evaluated by the Company and its joint venture.

2.23 Government Grants:

i. Grants from the Government are recognized at their fair value where there is reasonable assurance that grant will be received and the Company and its joint venture will comply with all attached conditions.

- ii. Government grants relating to income are deferred and recognized in the consolidated profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Alternatively, they are deducted in reporting the related expense.
- iii. Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognized in consolidated profit or loss over the periods that bear the cost of meeting the obligations.
- iv. Government Grants received either as subsidy or otherwise for acquisition of depreciable assets are accounted as deferred income. If the grant/subsidy is absolute, amount corresponding to the depreciation is treated as income over the life of the asset. If the grant/subsidy is attached with any conditions, such as repayment, income is accounted as per the terms of the grant/subsidy.

2.24 LEASES

Company as a lessee:

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – “Leases” if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with short term lease (term of twelve months or less) and lease in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of “right of use” is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments. Subsequent measurement, if any, is made using cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Consolidated Significant Accounting Policies

The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a Lessor:

Lease are classified as finance or operating lease based on the recognition criteria specified in Ind AS 116 – Leases.

a) Finance Lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the statement of profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in lease.

The asset is tested for de-recognition and impairment requirements as per IndAS 109- Financial Instruments.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight line basis or another systematic basis, if required. Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

A lease is classified at the inception date as a finance lease or operating lease.

Notes to Consolidated Financial Statements

for FY 2024-25

3. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025
	(₹ in Lakh)							
Land	1,718.39	-	-	1,718.39	-	-	-	1,718.39
Buildings/Drainage/Water systems	7,940.14	1,799.15	(2.59)	9,736.70	1,360.84	329.75	(1.88)	1,688.71
Plant and Equipment *	82,408.69	7,925.23	(88.66)	90,245.26	16,869.06	3,860.65	(75.73)	20,653.98
Furniture and Fixtures	632.47	5.31	(13.69)	624.09	382.62	51.19	(13.02)	420.79
Vehicles	616.93	82.77	(58.95)	640.75	402.53	53.55	(56.28)	399.80
Office Equipment	1,869.51	158.00	(35.90)	1,991.61	1,207.27	214.75	(30.37)	1,391.65
Other (Electrical Installations)	3,618.82	630.32	(4.40)	4,244.74	1,302.39	330.60	(4.18)	1,628.81
Others (Roads and Bridges)	443.96	-	-	443.96	130.34	83.69	-	214.03
Right of Use Assets								
Buildings/Drainage/Water systems	4,934.22	-	-	4,934.22	609.31	157.81	-	767.12
Plant and Equipment	21,564.15	-	-	21,564.15	2,517.58	819.44	-	3,337.02
Other (Electrical Installations)	3,526.35	-	-	3,526.35	1,713.89	335.00	-	2,048.89
Total	1,29,273.63	10,600.78	(204.19)	1,39,670.22	26,495.83	6,236.43	(181.46)	32,550.80

* Includes Assets funded by ASL where no repayment exists.

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024
	(₹ in Lakh)							
Land	1,718.39	-	-	1,718.39	-	-	-	1,718.39
Buildings/Drainage/Water systems	6,807.75	1,136.58	(4.19)	7,940.14	1,076.87	285.03	(1.06)	1,360.84
Plant and Equipment *	77,314.24	5,334.03	(239.58)	82,408.69	13,542.66	3,452.12	(125.72)	16,869.06
Furniture and Fixtures	605.46	29.16	(2.15)	632.47	329.20	54.07	(0.65)	382.62
Vehicles	611.09	6.56	(0.72)	616.93	343.67	58.86	-	402.53
Office Equipment	1,680.21	204.20	(14.90)	1,869.51	1,008.39	209.64	(10.76)	1,207.27
Other (Electrical Installations)	3,027.25	593.67	(2.10)	3,618.82	1,007.68	295.05	(0.34)	1,302.39
Others (Roads and Bridges)	443.96	-	-	443.96	46.65	83.69	-	130.34
Right of Use Assets								
Buildings/Drainage/Water systems	4,679.97	254.25	-	4,934.22	459.46	149.85	-	609.31
Plant and Equipment	21,564.15	-	-	21,564.15	1,698.14	819.44	-	2,517.58
Other (Electrical Installations)	3,526.35	-	-	3,526.35	1,378.89	335.00	-	1,713.89
Total	1,21,978.82	7,558.45	(263.64)	1,29,273.63	20,891.61	5,742.75	(138.53)	26,495.83

* Includes Assets funded by ASL where no repayment exists.

Notes to Consolidated Financial Statements

for FY 2024-25

1. Conveyance deeds for 275 acres and 35 guntas of Land acquired which are through various Allotment/Award Letters/GO's are yet to be executed in the name of the Company. Most of them are allotted/granted by the undivided Govt. of AP earlier.

Further, above land includes:

- (a) Land leased to DRDO - 35 acres and 39 guntas (Operating Lease), (b) Land in the physical possession of Telanagana State Govt. - 1 acre, (c) Land in the physical possession of BDL - 1 acre and (d) 1.5 Acres land is under dispute on account of unauthorized occupancy by third party.
2. Claims for reimbursement of cost for 70 acres and 23 guntas of Land transferred by DRDO not acknowledged, as no final settlement has been reached.
 3. Pending registration/receipt of claims, no Provision has been made towards stamp Duty on conveyance deeds/conversion of Land use/property taxes/service charges (amount not ascertainable).
 4. Plant and Machinery includes ₹5058.04 lakhs (31-Mar-2024 ₹ 5058.04 lakhs) for R&D capital cost.
 5. Company considered the salvage value as 5% of the Cost of Assets.
 6. Principal Asset costing ₹100 lakhs and above only are identified for the purpose of componentization of assets.
 7. During the year, the Company has not revalued Property, Plant and Equipment.
 8. The Estimated useful life of various categories of assets are considered based on the Schedule II of the Companies Act, 2013, where NESD rates are available. For the other assets, management has estimated the useful life after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence etc. The estimated useful lives of various categories of Tangible Assets is as follows.

Asset Class	Useful Life (Years)
Buildings	30/60
Roads and Bridges	5
Electrical Installations	10
Plant, Machinery and Equipment	10/15/25
Electrical Equipments	3/6
Vehicles	8/10
Office Equipments	5/8/10
Furniture and Fixtures	8/10

9. Refer Note 41 (ii) for outstanding contractual commitments.

Notes to Consolidated Financial Statements

for FY 2024-25

4. INTANGIBLE ASSETS

(₹ in Lakh)

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at 1 st April, 2024	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2025	As at 31 st March, 2025
	Computer Software	743.94	22.60	-	766.54	439.10	103.88	-	542.98
Copyrights & Patents and other intellectual property rights, services and operating rights	105.95	-	-	105.95	37.63	7.81	-	45.44	60.51
Total	849.89	22.60	-	872.49	476.73	111.69	-	588.42	284.07

(₹ in Lakh)

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at 1 st April, 2023	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2024	As at 31 st March, 2024
	Computer Software	721.33	22.61	-	743.94	335.09	104.01	-	439.10
Copyrights & Patents and other intellectual property rights, services and operating rights	105.95	-	-	105.95	29.19	8.44	-	37.63	68.32
Total	827.28	22.61	-	849.89	364.28	112.45	-	476.73	373.16

Notes to Consolidated Financial Statements

for FY 2024-25

5. CAPITAL WORK-IN-PROGRESS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Capital Work-in-Progress-Civil	411.98	1,430.35
Capital Work-in-Progress- Plant & Machinery Under Erection	1,762.18	6,542.26
Plant, Machinery & Equipment under Inspection & in Transit	334.62	333.14
Total	2,508.78	8,305.75

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Trade Investments Non-Trade, Unquoted AT COST		
Investment in Equity instruments		
Investment in other entities		
AP Gas Power Corporation Limited (*)		
18,43,857 fully paid up Equity share of ₹ 10/- each including 7,71,847 fully paid up bonus share of face value ₹ 10/- each	107.20	107.20
4,28,800 fully paid up Equity share of ₹ 10/- each subscribed at ₹ 24/- each and paid-up ₹ 24/- each	102.91	102.91
Investments in Joint Venture (**)		
a) Utkarsha Aluminium Dhatu Nigam Limited	2,048.91	1,972.04
2,00,00,000 fully paid up Equity share of ₹ 10/- each		
b) Advanced Materials (Defence) Testing Foundation	273.20	-
27,320 fully paid up Equity share of ₹ 1,000/- each		
Total	2,532.22	2,182.15

(*) Investment in APGPCL shares are in the nature of security deposit for uninterrupted supply of power which has no specified tenure. Hence, not considered for fair valuation.

(**) Details of Joint venture

Particulars	Principal Activity and place of business	Proportion of ownership Interest/voting rights held by the Company	
		As at 31-03-2025	As at 31-03-2024
(a) Utkarsha Aluminium Dhatu Nigam Limited	For setting up High End Aluminium Alloy Production plant at Nellore, Andhra Pradesh.	50%	50%
(b) Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act, 2013)	For development, operation and maintenance of Defence Testing Infrastructure (DTI) of Mechanical and Material Testing Facility in UP Defence Industrial Corridor, Lucknow.	20%	-

Notes to Consolidated Financial Statements

for FY 2024-25

Financial Information in respect of Joint Venture (Utkarsha Aluminium Dhatu Nigam Limited)

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Non-current assets	1,032.63	997.36
Current assets	3,201.18	3,025.88
Non-current liabilities	16.09	14.70
Current liabilities	119.89	64.46
The above amounts of assets and liabilities includes the following:		
Cash and cash equivalents	3,028.09	2,939.77
Current financial liabilities (excluding trade payables and provisions)	-	-
Non-current financial liabilities (excluding trade payables and provisions)	-	-
Current liabilities	119.89	64.46

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Revenue	-	-
Profit or loss from continuing operations	153.74	103.73
Other comprehensive income for the year	-	-
Total comprehensive income for the year	153.74	103.73
The above profit / (Loss) for the year include the following:		
Depreciation and amortisation	9.73	10.44
Interest Income	-	-
Interest expenses	-	-
Income tax expense / (income)	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in JV recognised in the consolidated financial statements:

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Net asset of the Joint Venture	4,097.83	3,944.08
Proportion of the Group's ownership interest in JV (%)	50%	50%
Proportion of the Group's ownership interest in JV (₹)	2,048.91	1,972.04
Add: additional subscription of share warrant / advance against equity	-	-
Add: good will on acquisition	-	-
Less: unrealised profit	-	-
Group's share in the net asset of JV	2,048.91	1,972.04
Carrying amount of the Group's interest in JV	2,048.91	1,972.04

Notes to Consolidated Financial Statements

for FY 2024-25

7. NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Unsecured, considered good		
Loans to Vendors	-	-
Total	-	-

8. NON-CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Advance Income Tax	-	-
Total	-	-

9. OTHER NON-CURRENT ASSETS

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
Capital Advances				
Unsecured, considered good		360.95		195.19
Doubtful	35.46		35.46	
Less: Provision	35.46	-	35.46	-
Sub-Total		360.95		195.19
Others				
Doubtful Advances to supplier	22.52		22.52	
Less: Provision	22.52	-	22.52	-
Obsolete and slow moving -Raw material	322.29		416.67	
Less: Provision	322.29	-	416.67	-
Obsolete and slow moving -consumables	56.37		43.13	
Less: Provision	56.37	-	43.13	-
Obsolete and slow moving -spares	216.45		213.69	
Less: Provision	216.45	-	213.69	-
Total		360.95		195.19

10. INVENTORIES

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Raw Materials and components	9,428.50	9,745.93
Raw Materials and components -in transit	1,859.85	3,566.91
Total	11,288.35	13,312.84
Work-in-progress #	66,863.46	66,870.49
Total	66,863.46	66,870.49
Finished goods	9.44	11.22
Finished goods in transit	76.43	45.44
Total	85.87	56.66

Notes to Consolidated Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Stores and spares	668.63	696.53
Stores and spares -in transit	-	24.78
Total	668.63	721.31
Loose Tools	47.26	38.66
Total	47.26	38.66
Consumables	2,560.64	2,518.18
Consumables-in transit	-	-
Total	2,560.64	2,518.18
Internally generated Scrap/rejected material *	46,583.72	47,453.67
Total	46,583.72	47,453.67
Grand Total	1,28,097.93	1,30,971.81

The Inventory does not include material held on behalf of Customers and material issued by the Customers to Midhani for job works.

*Work in progress Include materials lying with sub-contractors ₹ 1323.47 Lakh (31.03.2024 ₹ 2058.61 Lakh) and is subject to confirmation of balance by sub-contractors.

*Includes Rejected Materials lying with Customers ₹ 103.70 Lakh (31.03.2024 ₹ 181.82 Lakh) yet to be brought back from Customers.

Valuation of Inventories has been made as per criteria specified at 2.8 of Significant Accounting Policies given at Note-2.

11. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Trade Receivables		
Considered Good - Unsecured	41,052.17	32,345.38
Which have significant increase in Credit Risk	-	-
Credit Impaired	1,562.19	2,045.78
Total (A)	42,614.36	34,391.16
Less : Allowance for bad and doubtful debts		
Considered good - Unsecured (ECL)	(20.81)	(45.21)
Which have significant increase in Credit Risk	-	-
Credit Impaired	(1,562.19)	(2,045.78)
Total (B)	(1,583.00)	(2,090.99)
Grand Total (A-B)	41,031.36	32,300.17

Notes to Consolidated Financial Statements

for FY 2024-25

Trade Receivables ageing schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	38,952.74	1,101.26	529.15	302.27	166.75	41,052.17
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	1,095.83	60.75	60.59	135.98	209.04	1,562.19
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

For computing the trade receivables normal credit period allowed by the company of thirty days has been taken into consideration for calculating the due date from the date of invoice .

Balances in Trade Receivables, is subject to confirmation and/or reconciliation.

Expected Credit Loss Percentage

Age of receivables	Expected credit loss	
	As at 31 st March, 2025	As at 31 st March, 2024
Within Credit the Period	1.80%	2.03%
Upto 3 months	2.87%	2.86%
3-6 months	24.48%	13.14%
6-9 months	58.27%	29.08%
9-12 months	92.80%	60.74%
>12 months	100.00%	100.00%
Specific Provision (₹ In Lakhs) relating to Defence, Govt and PSU customer dues	351.75	305.24
Specific Provision (₹ In Lakhs) relating to Defence, Govt, PSU, Private customer dues (LD)	1,210.44	1,740.54

Notes to Consolidated Financial Statements

for FY 2024-25

(₹ in Lakh)

Age of receivables	As at 31 st March, 2025	As at 31 st March, 2024
Private Customers -Unsecured		
Within Credit the Period	755.73	1,337.14
Upto 3 months	127.52	491.64
3-6 months	0.03	0.89
6-9 months	-	0.02
9-12 months	1.76	3.32
>12 months	1.93	1.93
Private Customers -secured	677.79	202.86
Defence, Govt and PSU customer dues	41,049.60	32,353.36

Movement in Provision made against Trade Receivables

(₹ in Lakh)

Particulars	Total
Loss allowance as on 31 st March, 2024	2,090.99
Changes in loss allowance	(507.99)
Loss allowance as on 31 st March, 2025	1,583.00

12. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balances with Banks		
In Current Accounts	1,086.23	1,647.25
In Deposit Accounts #	4,000.00	-
Cash on hand	1.95	0.41
Total	5,088.18	1,647.66

13. CURRENT FINANCIAL ASSETS - BANK BALANCES [OTHER THAN (NOTE 12) ABOVE]

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unpaid Dividend *	13.63	13.71
Total	13.63	13.71

* This amount includes of ₹ 0.48 lakh (31-03-2024 - ₹ 0.99 lakh) towards Interim Dividend for the respective financial years, but not unpaid as per sec 124 of the Companies Act, 2013.

Notes to Consolidated Financial Statements

for FY 2024-25

14. CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured - Considered Good (Loans and advances to employees)	39.92	38.02
Claims receivable	40.61	25.93
Deposits with others	1,812.13	1,648.37
Interest accrued on bank deposits	165.94	-
Total	2,058.60	1,712.32

15. OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Assets held for disposal	1.28	50.66
Prepaid expenses	303.11	275.30
GST/Customs duty receivable	1,508.66	9,380.65
Others		
Unsecured, considered good		
Advance to suppliers	557.12	356.42
Total	2,370.17	10,063.03

16. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Authorised		
Equity shares		
20,00,00,000 shares @ ₹ 10/- per share (Previous Year 20,00,00,000 shares @ ₹ 10/- per share)	20,000.00	20,000.00
	20,000.00	20,000.00
Issued		
Equity shares		
18,73,40,000 shares @ ₹ 10/- per share (Previous Year 18,73,40,000 shares @ ₹ 10/- per share)	18,734.00	18,734.00
	18,734.00	18,734.00
Subscribed and fully Paid up		
Equity shares		
18,73,40,000 shares @ ₹ 10/- per share (Previous Year 18,73,40,000 shares @ ₹ 10/- per share)	18,734.00	18,734.00
	18,734.00	18,734.00
Total	18,734.00	18,734.00

Notes to Consolidated Financial Statements

for FY 2024-25

Reconciliation of shares outstanding at the beginning and at the end of the period:

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	Amount (₹ in Lakh)	No. of Shares	Amount (₹ in Lakh)
Outstanding as at Opening Date	18,73,40,000	18,734.00	18,73,40,000	18,734.00
Add: Issued during the period	-	-	-	-
Less: Buy-back during the period (if any)	-	-	-	-
Outstanding as at Closing Date	18,73,40,000	18,734.00	18,73,40,000	18,734.00

Terms/right attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share (Previous Year ₹ 10 per share). Each equity share represents one voting right.

Details of shareholders holding more than 5% shares in the Company

Particulars	31 st March, 2025		31 st March, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid-up (Previous Year ₹ 10/- each)				
President of India	13,86,31,600	74.00%	13,86,31,600	74.00%
HDFC Trustee Company Ltd. A/c HDFC Balanced Advantage Fund	-	-	1,33,29,106	7.11%

Details of Shareholding of Promoters

Shares held by promoters as on 31 st March, 2025				
S. No.	Promoter Name	No. of Shares	% of Total shares	% Change during the year
1	President of India	13,86,31,600	74%	-

17. OTHER EQUITY

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
General Reserve				
Opening Balance		1,06,475.87		99,875.87
Less: Depreciation adjustment		-		-
		1,06,475.87		99,875.87
Add: Additions during the year		8,100.00		6,600.00
Sub-total		1,14,575.87		1,06,475.87

Notes to Consolidated Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
Retained Earnings				
Opening Balance		6,651.98		9,843.98
Add: Amount transferred from statement of profit and loss		11,083.74		9,178.18
Amount available for appropriation		17,735.72		19,022.16
Less: Appropriations				
Interim Dividend	1,405.34		2,641.52	
Final Dividend	-		3,128.66	
Transferred to General Reserve	8,100.00	9,505.34	6,600.00	12,370.18
Sub-total		8,230.38		6,651.98
Components of other comprehensive income				
Opening Balance		54.49		85.75
Add: Remeasurement of the net defined benefit liability / asset, net of tax effect		(97.90)		(31.26)
Sub-total		(43.41)		54.49
Total		1,22,762.84		1,13,182.34

18. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Secured		
Term Loans		
from Banks	3,907.88	5,914.13
(Secured by way of Hypothecation of Machinery Purchased out of Term Loan) (Excluding ₹2000.00 lakh (31.03.2024 - ₹2000.00 lakh) which is due for payment within 12 months treated as Other Current Financial Liability and included under Note 23) Repayable in 20 quarterly equal installments)		
Total	3,907.88	5,914.13

19. NON-CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakh)

Particulars	As at	As at
	31 st March, 2025	31 st March, 2024
Deposit under MEFBS-2021	109.83	109.83
Total	109.83	109.83

Notes to Consolidated Financial Statements

for FY 2024-25

20. NON-CURRENT LIABILITIES - PROVISIONS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for gratuity	169.92	152.47
Provision for compensated absences	62.53	55.24
Total	232.45	207.71

21. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Deferred Tax Liabilities		
On Depreciation	5,815.92	5,196.36
Sub Total	5,815.92	5,196.36
Deferred Tax Assets		
On Provision	631.59	714.68
On Disallowance as per IT Act	-	13.90
Sub Total	631.59	728.58
Net Total	5,184.33	4,467.78

Movement in deferred tax

(₹ in Lakh)

Particulars	Closing Balance 31-Mar-2024	Charge/Credit during the year 2024-25	Closing Balance 31-Mar-2025
Deferred Tax Assets			
Provision for Non Moving Stores	169.50	(19.72)	149.78
Provisions for Doubtful Debts	88.20	5.57	93.77
Provisions for Doubtful Adv / Claims	5.67	-	5.67
Provision for Contingencies & Warranty	227.04	(79.33)	147.71
AMTL Leave Provision	13.90	(13.90)	-
Provison for Others	27.69	(24.91)	2.78
OFB-Melt-IV Interest Differences (Net)	79.96	8.38	88.34
VSSC Interest Differences (Net)	-	-	-
OFB-WPM Interest Differences (Net)	110.02	33.52	143.54
MSE Liaibility Unapaid	-	-	-
Total Assets	721.98	(90.39)	631.59
Deferred Tax Liability			
Depreciation	5,196.36	619.56	5,815.92
Total Liability	5,196.36	619.56	5,815.92
Net Liability	4,474.38	709.95	5,184.33

Notes to Consolidated Financial Statements

for FY 2024-25

22. OTHER NON-CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances		
Advances from Customers	25,866.98	22,970.25
Others		
Material Received on Loan - Kaveri Project	-	-
Other Liabilities - VSSC	54.72	54.72
Other Liabilities - OFB	163.00	43.00
Advances Others	64.57	64.57
Deferred Income	37,764.05	39,180.13
Total	63,913.32	62,312.67

23. CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Secured		
Loans repayable on demand		
From Banks		
Cash Credit	(0.01)	-
(By hypothecation of Raw materials, stock in process, finished good and book debts.)		
Unsecured		
From Banks		
Short Term Loans	17,499.91	24,500.00
Current Maturities of Long Term Debt	2,000.00	2,000.00
Total	19,499.90	26,500.00

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Micro & Small Enterprises	554.15	768.39
Others	8,772.44	11,228.91
Total	9,326.59	11,997.30

Balances in Trade Payables are subject to confirmation and/ or reconciliation.

Notes to Consolidated Financial Statements

for FY 2024-25

Trade Payables ageing schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	509.13	42.28	0.30	1.63	0.81	554.15
(ii) Others	1,649.93	6,850.75	115.72	90.60	65.44	8,772.44
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

25. CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Earnest money deposit	575.37	393.63
Security Deposit	1,481.00	1,754.21
Liabilities to customers	1,471.47	1,357.47
Capital creditors	6,140.36	7,989.44
Employee payables	1,742.66	1,570.87
Unpaid Dividend *	13.63	13.71
Total	11,424.49	13,079.33

* This amount includes of ₹ 0.48 lakh (31-03-2024 - ₹ 0.99 lakh) towards Interim Dividend for the respective financial years, but not unpaid as per sec 124 of the Companies Act, 2013.

26. OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances received from customers	17,243.68	15,312.53
Liabilities for Customer Financed projects	478.95	502.69
Material Received on Loan - Others	2,540.58	4,250.75
Statutory liabilities	1,502.14	167.95
Total	21,765.35	20,233.92

27. CURRENT - PROVISIONS

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for compensated absences	381.57	305.14
Provision for gratuity	356.34	248.65
Provision for post retirement medical scheme	175.87	174.32
Provision for other employee benefits	1,219.23	1,157.21

Notes to Consolidated Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Other Provisions		
Provision for contingencies and warranty	586.88	902.08
Provision for Income Tax	269.43	55.93
Other provisions	11.04	110.04
Total	3,036.07	2,953.37

Movement in Provisions (Short term and Long term)

(₹ in Lakh)

Particulars	As at 01.04.2024	Additions	Utilization	Reversal	As at 31.03.2025
Compensated absences	360.38	388.86	305.14	-	444.10
Gratuity	401.12	373.79	248.65	-	526.26
Post retirement medical scheme	174.32	175.86653	174.32	-	175.87
Contingencies and Warranty	902.08	0	-	315.20	586.88
Others	1,267.25	764.00	800.98	-	1,230.27
Total	3,105.15	1,702.52	1,529.09	315.20	2,963.38

28. REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Sale of Manufacturing Products		
Domestic	93,258.93	94,430.43
Export Sales	9,419.32	6,623.76
Sale of Services	2,600.32	2,064.58
Other Operating Revenue Sale of product scrap	2,131.58	4,148.68
Total	1,07,410.15	1,07,267.45

29. OTHER INCOME

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Interest Income		
From Banks	167.47	-
From Others	552.76	551.79
Liquidated Damages	538.70	654.63
Net gain on sale of Fixed Assets	5.90	-
Income from Sale of Unserviceable Scrap	314.68	267.79
Excess Liabilities written back	490.31	577.78
Grant Income	864.67	864.67
Other miscellaneous income	79.29	76.86
Total	3,092.15	2,993.52

Notes to Consolidated Financial Statements

for FY 2024-25

Details of other miscellaneous income

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Sale of Application Forms (Personnel)	0.07	4.79
Sale of Tender Documents	0.02	-
Others	79.20	72.07
Total	79.29	76.86

30. COST OF MATERIAL CONSUMED

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Cost of Material for manufactured products	42,222.15	52,347.25
Total	42,222.15	52,347.25

31. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Opening Stock		
Work-in-progress	66,870.49	75,870.87
Finished Stock	56.66	175.11
Scrap	47,453.67	30,837.80
	1,14,380.82	1,06,883.78
Closing Stock		
Work-in-progress	66,863.46	66,870.49
Finished Stock	85.87	56.66
Scrap	46,583.72	47,453.67
	1,13,533.05	1,14,380.82
(Increase) / Decrease		
Work-in-progress	7.03	9,000.38
Finished Stock	(29.21)	118.45
Scrap	869.95	(16,615.87)
Total	847.77	(7,497.04)

Notes to Consolidated Financial Statements

for FY 2024-25

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Salaries & Wages		
Salaries & Wages	9,585.29	9,010.72
Leave Encashment	543.96	498.31
Directors remuneration	246.62	245.16
Contribution to Provident and other Funds		
Provident fund	782.81	750.42
Employees Gratuity	237.08	154.91
Leave salary and pension contribution	418.30	401.20
Staff Welfare & Training		
Workmen and staff welfare expense	2,419.80	2,322.39
Total	14,233.86	13,383.11

(i) Gratuity

Gratuity payable to eligible employees is administered by a separate Trust, which has taken a policy with LICGGF. The annual demand computed through actuarial valuation is charged to Statement of Profit and Loss and other comprehensive income.

Expenses Recognised during the period

(₹ in Lakh)

Particulars	2024-25	2023-24
In Income Statement	230.66	212.28
In Other Comprehensive Income	130.84	41.77
Net Liability	361.50	254.05

Assets and Liability (Balance Sheet Position)

(₹ in Lakh)

Particulars	2024-25	2023-24
Present Value of Obligation	3,267.39	3,022.77
Fair Value of Plan Assets	2,911.04	2,774.12
Surplus / (Deficit)	(356.35)	(248.65)
Effects of Asset Ceiling, if any	-	-
Net Assets / (Liability)	(356.35)	(248.65)

Changes in the Present Value of Obligation

(₹ in Lakh)

Particulars	2024-25	2023-24
Present Value of Obligation as at beginning	3,022.77	2,934.50
Current Service Cost	212.77	197.32
Interest Expense or Cost	217.49	219.08
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	140.57	67.88
- experience variance (Actual Vs assumptions)	(2.04)	(35.20)

Notes to Consolidated Financial Statements

for FY 2024-25

(₹ in Lakh)

Particulars	2024-25	2023-24
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(324.16)	(360.82)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	3,267.40	3,022.77

Bifurcation of net liability

(₹ in Lakh)

Particulars	2024-25	2023-24
Current Liability (Short term)	-	-
Non-Current Liability (Long term)	356.34	248.65
Net Liability	356.34	248.65

Changes in the Fair Value of Plan Assets

(₹ in Lakh)

Particulars	2024-25	2023-24
Fair Value of Plan Assets as at the beginning	2,774.12	2,734.14
Investment Income	199.59	204.13
Employer's Contribution	253.80	205.76
Expenses	-	-
Employee's Contribution	-	-
Benefits Paid	(324.16)	(360.82)
Return on plan assets , excluding amount recognised in net interest expense	7.69	(9.09)
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	2,911.04	2,774.12

Expenses Recognised in the Income Statement

(₹ in Lakh)

Particulars	2024-25	2023-24
Current Service Cost	212.77	197.32
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Expected return on Asset	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	17.89	14.96
Actuarial Gain/Loss	-	-
Expenses Recognised in the Income Statement	230.66	212.28

Notes to Consolidated Financial Statements

for FY 2024-25

Other Comprehensive Income

(₹ in Lakh)

Particulars	2024-25	2023-24
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	140.57	67.88
- experience variance (i.e. Actual experience vs assumptions)	(2.04)	(35.20)
- others	-	-
Return on plan assets, excluding amount recognized in net interest expense	(7.69)	9.09
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	130.84	41.77

Actuarial assumptions

(₹ in Lakh)

Particulars	2024-25	2023-24
Discount rate (per annum)	6.75%	7.20%
Salary growth rate (per annum)	8.00%	8.00%

Demographic assumptions

(₹ in Lakh)

Particulars	2024-25	2023-24
Mortality rate	100.00%	100.00%
Withdrawal rate (per annum)	Upto 3% based on age	Upto 3% based on age

Table of sample mortality rates from Indian Assured Lives Mortality 2012-14

Mortality (per annum)	Male	Female
Age		
20 years	0.092%	0.092%
25 years	0.093%	0.093%
30 years	0.098%	0.098%
35 years	0.120%	0.120%
40 years	0.168%	0.168%
45 years	0.258%	0.258%
50 years	0.444%	0.444%
55 years	0.751%	0.751%
60 years	1.116%	1.116%
65 years	1.593%	1.593%
70 years	2.406%	2.406%

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for FY 2024-25

Sensitivity analysis

(₹ in Lakh)

Particulars	31-Mar-25		31-Mar-24	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	3,267.39		3,022.77	
Discount Rate (- / + 1%)	3,622.73	2,968.22	3,326.02	2,766.42
(% change compared to base due to sensitivity)	10.9%	-9.2%	10.0%	-8.5%
Salary Growth Rate (- / + 1%)	3,073.67	3,460.29	2,855.40	3,194.00
(% change compared to base due to sensitivity)	-5.9%	5.9%	-5.5%	5.7%
Attrition Rate (- / + 1%)	3,214.88	3,309.04	2,961.15	3,071.68
(% change compared to base due to sensitivity)	-1.6%	1.3%	-2.0%	1.6%
Mortality Rate (- / + 10%)	3,266.00	3,268.76	3,021.26	3,024.26
(% change compared to base due to sensitivity)	0.0	0.0	0.0%	0.0%

Expected cash flows over the next (valued on undiscounted basis):

(₹ in Lakh)

1 year	454.55
2 to 5 years	942.94
6 to 10 years	1,121.40
More than 10 years	5,180.56

(ii) Leave obligations

The leave obligations cover the Company's liability for the earned leave. The retirement benefit relating to leave encashment is administered through a Group Leave Encashment Scheme with LIC of India. The annual demand computed through actuarial valuation is charged to Statement of Profit and Loss.

Bifurcation of net liability

(₹ in Lakh)

Particulars	2024-25	2023-24
Current Liability (Short term)	334.19	280.07
Non-Current Liability (Long term)	3,134.65	2,770.19
Net Liability	3,468.84	3,050.26

(iii) Pension

As per the Department of Defence Production, Ministry of Defence, GOI, Guidelines No.8(112)/2012/D(Coord/DDP) dt. 11.11.2013, the contribution to Pension Scheme has to be restricted to a maximum of 10% (7% with the approval of Board and 3% with the prior approval of the Ministry of Defence) of Basic+DA in a financial year.

The Current year contribution to pension fund has been paid @ 7% of Basic + DA in line with the MoD guidelines.

Notes to Consolidated Financial Statements

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33. FINANCE COST

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Interest expense		
Cash Credit	12.50	30.56
Short Term Overdrafts	-	-
Interest expenses on Lease Liability	717.88	720.57
Interest - Others	5.56	30.91
Interest - Term Loan	2,208.83	2,675.47
Discount on issue of Commercial Paper	-	-
Total	2,944.77	3,457.51

34. OTHER EXPENSES

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Travelling Expenses		
Travelling and conveyance	232.71	229.00
Hire of cars	25.01	27.36
Communication Expenses		
Postage & telephone	33.32	37.05
Repairs & maintenance expenses		
Buildings	588.03	703.10
Plant and machinery	794.07	871.67
Others	271.65	245.67
Rent, rates & taxes		
Rates and taxes	6.87	6.82
Rent	35.48	33.22
Printing and stationery		
Printing and stationery	13.92	15.55
Office maintenance expenses		
Security guard charges	1,163.42	962.25
Administration expenses-Others	130.64	291.15
Power & fuel		
Power and fuel	8,839.50	8,778.99
Sub-contractor expenses		
Sub-contractor expenses	7,510.41	8,313.18
General expenses		
CSR Expenses	399.76	477.02
Bad debts written off	55.84	103.95
Fixed Assets written off	-	25.55
Sales schemes	949.55	1,382.56

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(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Library books	-	0.01
News paper and journals	0.90	1.01
Membership fees	24.40	21.82
Training expenses	21.96	24.18
Entertainment/courtesy expenses	1.88	1.84
Hostel/guest house expenses net of income	21.87	32.84
Business promotion expenses	195.55	68.35
Directors sitting fees	11.44	8.49
Factory expenses	274.07	251.05
Advertisement	62.53	46.50
Water charges	202.52	230.41
Consumption of stores, loose tools and spare parts		
Consumption of stores, loose tools and spare parts	5,709.46	5,682.14
Insurance expenses		
Insurance	314.68	311.85
Professional charges		
Legal and professional fees	17.24	8.81
Internal Audit Fee	6.76	7.11
Consultancy charges	69.53	73.33
Contract professionals expenses	22.18	13.89
R& D Expenses		
R & D Contribution	0.07	2.36
Exchange fluctuation		
Exchange rate variance charged off	160.98	75.61
Auditors remuneration		
Auditor's remuneration	13.05	10.65
Finance & bank charges		
Bank charges	98.37	88.41
Provision for non moving inventories	-	41.35
Provision for Bad debts		
Provision for Doubtful Debts	22.11	-
Provision for Contingencies & Warranty		
Provision for Contingencies & Warranty	-	112.89
Total	28,301.73	29,618.99

Notes to Consolidated Financial Statements

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Remuneration and other payments to the auditor

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Auditor		
(a) Statutory Audit & Limited Review	11.55	9.25
(b) Tax Audit	1.50	1.40
(c) Other Services	-	-
Total	13.05	10.65

Details of Corporate Social Responsibility

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Promoting Education	81.43	92.48
Promotion of Skill development and Women empowerment	67.02	112.82
Promotion of Health	223.21	251.27
Other Projects	28.10	20.45
TOTAL	399.76	477.02

Additional details of Corporate Social Responsibility (CSR)

(₹ in Lakh)

Sl. No.	Particulars	For the Year Ended 31 st March, 2025
(i)	Amount required to be spent by the company	391.28
(ii)	Amount of expenditure incurred	399.76
(iii)	Shortfall at the end of the year	0
(iv)	Total of previous years shortfall (For F.Y. 2023-24)	0.00
(v)	Reason for shortfall	No shortfall
(vi)	Nature of CSR activities	Promote Education, Skill development, Promote culture, Social and Sport activities and Promote health activities.
(vii)	Details of related party transactions	MIDHANI under CSR has envisaged to build a Primary Health Centre to provide medical services to the poor families residing in and around MIDHANI. The center shall cater to the basic needs of the patients by providing consultation, checkup, basic diagnostic tests & medicines at nominal charges. In F.Y. 2024-25, MIDHANI under CSR has spent an amount of ₹122.34 lakh towards manpower, organizing various camps, infrastructure development etc. Out of which ₹ 52.33 lakh has been contributed to MPHCC Trust towards payment of salaries to the staff working for MPHCC.
(viii)	Movement in provision with respect to liability incurred by entering into a contractual liability	Nil

Notes to Consolidated Financial Statements

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35. INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in the equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025	For the Year Ended 31 st March, 2024
Current tax		
Current tax on profits for the year	3,848.04	3,446.15
Earlier year tax	(0.49)	2.65
	3,847.55	3,448.80
Deferred tax		
Decrease (increase) in deferred tax liabilities	(716.55)	(510.32)
Total income tax expense	4,564.10	3,959.12

(b) Reconciliation of tax expense and the accounting profit multiplied India's tax rate

(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025		For the Year Ended 31 st March, 2024	
Profit before tax		15,473.07		13,054.18
Tax at Indian tax rate of 25.168%		3,894.26		3,285.47
Add:				
Depreciation under Companies Act	6,348.12		5,855.20	
Disallowances under Sec 43B	-		-	
Disallowances under Sec 43 B (h)	-		26.21	
Provision for Doubtful Debts	22.11		(297.89)	
Provision for non moving stores and spares	(78.37)		41.35	
R&D expenditure	-		-	
Provision for contingency & warranty	(315.20)		112.89	
Provision for obsolete items	-		-	
Provision for doubtful claims	-		-	
CSR Expenses	399.76		477.02	
OFB Deferred Exp (Net-off)	33.31		33.60	
VSSC Deferred Exp (Net-off)	-		-	
OFB-WPM Deferred Exp (Net off)	133.17		135.19	
AMTL Leave Provision	-		6.37	
Provision for Others	(99.00)		-	
Provision for advance to suppliers	-		-	
Others	-		-	
	6,443.90		6,389.94	
Less:				
Depreciation as per IT Act	6,616.89		5,753.71	
	6,643.10		5,753.71	
Taxable Income	(199.20)	(50.13)	636.23	160.13
Tax Liability		3,844.13		3,445.60

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(₹ in Lakh)

Particulars	For the Year Ended 31 st March, 2025		For the Year Ended 31 st March, 2024	
Interest		3.91		0.55
Earlier Year Tax		(0.49)		2.65
Deferred Tax		716.55		510.32
Total		4,564.10		3,959.12

Financial instruments

36. Fair value measurements

A. Financial instruments by category

(₹ in Lakh)

Particulars	31 st March, 2025				31 st March, 2024			
	FVPL	FVOCI	Amortized Cost	Total	FVPL	FVOCI	Amortized Cost	Total
Financial assets								
Trade receivables	-	-	41,031.36	41,031.36	-	-	32,300.17	32,300.17
Cash and cash equivalents	-	-	5,101.81	5,101.81	-	-	1,661.37	1,661.37
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	2,058.60	2,058.60	-	-	1,712.32	1,712.32
Total	-	-	48,191.77	48,191.77	-	-	35,673.86	35,673.86
Financial liabilities								
Borrowings	-	-	23,407.78	23,407.78	-	-	32,414.13	32,414.13
Trade payables	-	-	9,326.59	9,326.59	-	-	11,997.30	11,997.30
Lease Liabilities	-	-	11,568.26	11,568.26	-	-	10,850.37	10,850.37
Other financial liabilities	-	-	11,534.32	11,534.32	-	-	13,189.16	13,189.16
Total	-	-	55,836.95	55,836.95	-	-	68,450.96	68,450.96

Note : For the purpose of above abbreviations, FVPL - Fair value through profit and loss; FVOCI - Fair value through other comprehensive income; Amortized cost - Fair value through amortized cost.

- (1) Assets that are not financial assets (such as receivables from statutory authorities, export benefit receivables, prepaid expenses, advances paid and certain other receivables) as of March 31, 2025, March 31, 2024 respectively, are not included.
- (2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) as of March 31, 2025, March 31, 2024 are not included.

(i) Fair value of financial asset and financial liabilities measured at amortized cost

The carrying amounts of trade receivables, trade payables, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

37. Financial risk management

Risk management framework

The Company has a Board approved Risk Management Policy and the Risks involved at the various processes in the Company are also being discussed in the internal Production Review Meetings and Corporate Management Committee Meetings. The identification of the risk elements faced by the company is listed out in Management Discussion and Analysis and also listed out in the form of SWOT analysis.

Notes to Consolidated Financial Statements

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The Company's risk management policies are established to identify and analyze 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 has put in place all required internal controls and systems to meet all the canons of financial propriety. External Audit firms who were engaged to carry out internal audit, continue their efforts to ensure adequacy of such systems, controls and report thereon which were subject to periodical review by Audit Committee appointed by the Board.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables	Aging analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these consolidated financial statements.

i. Credit risk

a) Credit risk management

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

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Majority of trade receivables of the Company, originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approved by Board. Whereas, for other customers risk is measured using the expected credit loss provisional matrix and provision is recognized accordingly.

b) Provision for expected credit loss

The Company provides for expected credit loss based on the following :

Expected credit loss for loans, security deposits

The Company's loans and security deposits are high quality assets having negligible credit risk, hence expected credit loss have not been computed

Expected credit loss for trade receivables

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c) Reconciliation of loss allowance provision - trade receivables

	(₹ in Lakh)
Loss allowance on 31st March, 2024	2,090.99
Changes in loss allowance	(507.99)
Loss allowance on 31st March, 2025	1,583.00

Expected credit loss on trade receivables has been disclosed in note 11

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

At March 31, 2025, the maximum exposure to credit risk for trade receivables by geographic region was as follows.

Particulars	Carrying amount (₹ in Lakh)	
	March 31, 2025	March 31, 2024
India	40,169.59	33,423.41
Outside India	2,444.77	967.75
	42,614.36	34,391.16

At March 31, 2025, the maximum exposure to credit risk for trade receivables by type of counterparty was as follows:

Particulars	Carrying amount (₹ in Lakh)	
	March 31, 2025	March 31, 2024
Government, Government undertakings and other secured debts	41,049.60	32,353.36
Others	1,564.76	2,037.80
	42,614.36	34,391.16

Impairment

Majority of trade receivables originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approve by Board. Whereas, for private customers, provision is determined using expected credit loss provisional matrix.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 5,088.18 Lakh at March 31, 2025 (March 31, 2024: ₹ 1,647.66 Lakh).

The Company is investing in Fixed Deposits with various banks empanelled by the Investment Committee which is approved by the Board. All such deposits are made only with the approval of the Investment Committee. Further, management believes that cash and cash equivalents are of low risk in nature and hence no impairment has been recognized.

ii. Liquidity risk

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 have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Company ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains the following lines of credit.

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Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lakh)

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 year to 2 years	Between 2 years to 5 years	More than 5 Years	Total
31st March, 2025							
Non derivatives							
Borrowings (Current and Non-current)	10,499.99	7,999.91	1,000.00	2,000.00	1,907.88		23,407.78
Trade payables	9,217.77	-	108.82	-	-		9,326.59
Lease Liabilities	3,477.24	8.92	17.85	38.92	194.39	7,830.94	11,568.25
Other financial liabilities	1,756.29	8,196.73	1,471.47	-	-	109.83	11,534.32
Total non-derivative liabilities	24,951.29	16,205.56	2,598.14	2,038.92	2,102.27	7,940.77	55,836.95

iii. Market risk

(a) Foreign currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

(b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's external borrowings carries a fixed interest rate of 6.82 % per annum, hence, no interest rate risk has been determined.

38. Capital Management

(a) Risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. In comparison the weighted average interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 6.82 percent (2024: 7.02 percent).

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The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

(₹ in Lakh)

Particulars	As at 31 st March, 2025
Total liabilities	1,49,968.47
Less : Cash and cash equivalent	5,088.18
Adjusted net debt	1,44,880.29
Total equity	1,41,496.84
Less : Hedging reserve	-
Adjusted equity	1,41,496.84
Adjusted net debt to adjusted equity ratio	1.02

39. Operating segments

The Company is in the business of manufacturing of super alloys and other special metals. As the Company is engaged in defence production, exemption was granted from applicability of Accounting Standard on Segment reporting under sec 129 of Companies Act, 2013 vide Notification dated 23rd February 2018 of Ministry of Corporate Affairs.

40. Related party transactions

The President of India has an ownership interest of 74.00 %. MIDHANI is thus a Government entity under the administrative control of Ministry of Defence (MoD) and is exempt from detailed disclosures as required under Ind AS 24 with respect to related party transactions with Government and Government related entities.

Transactions with key management personnel

Key management personnel compensation

(₹ in Lakh)

Name of the party	31 st March, 2025					31 st March, 2024
	Salaries & wages	PF & EPS	Gratuity	Leave encashment	Total	Total
(a) Dr. Sanjay Kumar Jha, C&MD (Upto 31 st Dec 2024)	66.58	-	-	29.36	95.94	96.06
(b) Shri N Gowri Sankara Rao, Director (F) & CFO	60.95	6.29	-	-	67.24	67.16
(c) Shri Muthu Kumar, Director (P & M)	75.21	8.23	-	-	83.44	81.93
(d) Shri Paul Antony, CS	18.97	2.32	-	-	21.29	23.11
Total	221.71	16.84	-	29.36	267.91	268.26

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41. Contingent liabilities and commitments (to the extent not provided for)

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
(i) Contingent liabilities		
Claims against the company not acknowledged as debt	20,300.82	18,322.89
Bank Guarantees	6,586.90	3,225.77
Letter of credit outstanding	412.74	6,361.34
Provisional Liquidated Damages on unexecuted customer order where the delivery date has expired	1,835.00	3,224.00
	29,135.46	31,134.00
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Capital commitments)	5,806.16	3,465.43
	5,806.16	3,465.43

42. Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of company

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
Profit attributable to equity holders of the Company (₹ in Lakh)	11,083.74	9,178.18
Weighted average number of equity shares outstanding during the period	18,73,40,000	18,73,40,000
Face value of share (₹)	10	10
Earnings per share basic and diluted (₹ per share)	5.92	4.90

43. Imported Consumption

Particulars	31 st March, 2025 (₹ in Lakh)	31 st March, 2024 (₹ in Lakh)
Raw Material	24,786.38	39,689.87
Consumables and Spares	566.78	484.88
Total	25,353.16	40,174.75

44. The Company has used the borrowings from banks for the specific purpose for which it was taken as at 31st March, 2025 and 31st March, 2024.

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45. Additional Regulatory Information

- (i) Title deeds of Immovable Properties not held in name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
PPE	Land	128.82	DMRL, Ministry of Defence. However, in some land award proceedings, Midhani's name is mentioned as Super Alloy Plant at DMRL.	No	Since 1975/1977/1985/1986	Conveyance Deed for 275 Acres and 35 Guntas of land acquired which are through various Allotment/Award Letters/GO's are yet to be executed in the name of the Company. Most of them are allotted/granted by the undivided Govt. of AP earlier. In the said Grant proceedings, Midhani is mentioned as Super Alloy Plant of DMRL (Defence Organization). Further, out of this 1.5 Acres land is under dispute on account of unauthorized occupancy by third party.
	Building	-	-	-	-	-
Investment Property	Land				Not Applicable	
	Building					
PPE retired from active use and held for disposal	Land				Not Applicable	
	Building					
Others					Not Applicable	

- (ii) During the year, the Company has not revalued its Property, Plant and Equipment and Intangible Assets.
- (iii) The Company has not granted Loans or Advances in the nature of loans to Promoters, Directors, KMP, and the related parties as defined under Companies Act, 2013, either severally or jointly with any other person.

(iv) Capital-Work-in Progress (CWIP) ageing schedule.

(₹ in Lakh)

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	2389.85	118.93	0	0	2508.78
Projects temporarily suspended	-	-	-	-	-

- (v) The quarterly returns or statements of current assets filed by the Company with banks where the Company has borrowings as on 31st March, 2025 are in agreement with the books of accounts.
- (vi) The Company has not made any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (vii) The Company has created or modified the charges with Registrar of Companies (ROC) within the statutory period as specified in the Companies Act, 2013.

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(viii) The Company has no subsidiary hence Section 2 (87) not applicable.

(ix) Analytical Ratios

Ratio	Numerator	Denominator	31 st March, 2025	31 st March, 2024	% of variance	Reason for variance (For more than 25 %)
Current Ratio	Current Assets	Current Liabilities	2.61	2.28	14.47%	-
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.17	0.25	-32.00%	Repayment of Working Capital Loan and Capex Loan
Debt Service Coverage Ratio	EBITDA	Debt service(Interest & Principal repayments)	0.95	0.63	50.79%	Increase in margin due to reduction in raw material cost.
Return on Equity (%)	Net profit after tax	Average Shareholder's Equity	8.11%	7.05%	15.04%	-
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	0.72	0.75	-4.00%	-
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivables	2.93	3.36	-12.80%	-
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	4.31	4.44	-2.93%	-
Net Capital Turnover Ratio	Net Sales	Working capital	0.98	1.08	-9.26%	-
Net Profit Ratio (%)	Net profit after tax	Net Sales	10.32%	8.56%	20.56%	-
Return on Capital Employed (%)	EBIT	Capital Employed	12.37%	11.67%	6.00%	-
Retrun on Investment (%)			Not applicable			

46. As at 31st March, 2025, the company does not have any outstanding Commercial Paper and therefore, the disclosure requirements as per updated SEBI circular: SEBI/HO/DDHS/P/CIR/2021/613 dated 13th April, 2022 on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", information as required under regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 is not applicable.

47. The Company has leases for various assets referred to in Note 3 of financial statements. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

The Company classifies its right-of-use assets in a consistent manner to its Property, plant and equipment (Refer Note 3)

The maturity analysis of Contractual Cash flows of Lease Liabilities is disclosed at Note 37(ii) of the financial statements.

48. Retention Sale

The value of Retention Sale (i.e., Goods retained with the Company at the customers' request and at their risk) included in Turnover during the year is ₹8,629.74 Lakh. Out of the above, the value of Ex-work sale is ₹ 7,839.04 Lakh

Notes to Consolidated Financial Statements

for FY 2024-25

49. The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

50. Disclosure of additional information

(a) As at and for the year ended 31st March, 2025

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	AS % of consolidated net assets	Amount	AS % of consolidated profit or loss	Amount	AS % of consolidated other comprehensive income	Amount	AS % of consolidated total comprehensive income	Amount
Joint Ventures (Accounting as per equity method)								
Utkarsha Aluminium Dhatu Nigam Limited	2.90%	4,097.83	0.69%	76.87	0.00%	-	0.70%	76.87
Advanced Materials (Defence) Testing Foundation (Section 8 Company under the Companies Act, 2013)	Formed as per Section 8 of the Companies Act, 2013 for development, operation and maintenance of Defence Testing Infrastructure (DTI) of Mechanical and Material Testing Facility in UP Defence Industrial Corridor, Lucknow.							

(b) As at and for the year ended 31st March, 2024

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	AS % of consolidated net assets	Amount	AS % of consolidated profit or loss	Amount	AS % of consolidated other comprehensive income	Amount	AS % of consolidated total comprehensive income	Amount
Joint Ventures (Investment as per equity method)								
Utkarsha Aluminium Dhatu Nigam Limited	2.99%	3,944.08	0.56%	51.86	0.00%	-	0.57%	51.86

Notes to Consolidated Financial Statements

for FY 2024-25

51. Salient features of joint venture

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF ASSOCIATE COMPANIES / JOINT VENTURES (FORM AOC-1)

Part "B": Associates and Joint Ventures

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

Name of Associates / Joint Ventures	Joint Venture	Joint Venture
	Utkarsha Aluminium Dhatu Nigam Limited	Advanced Material (Defence) Testing Foundation
1. Latest audited Balance Sheet Date	31.03.2025	31.03.2025
2. Shares of Associate / Joint Ventures held by the company on the year end No.	2,00,00,000	27,320
Amount of Investment in Associates / Joint Ventures (₹)	20,00,00,000	2,73,20,000
Extent of Holding %	50.00%	20.00%
3. Description of how there is significant influence	[refer note 51.2]	[refer note 51.2]
4. Reason why the associate / joint venture is not consolidated	-	-
5. Networth attributable to share holding as per latest audited Balance Sheet (₹)	20,48,91,000	-
6. Profit / (Loss) for the year (₹)		
i. Considered in Consolidation	76,87,000.00	-
ii. Not Considered in Consolidation	-	-

Note:

51.1 The JV Company has not commenced its operations.

51.2 Voting power as per the percentage of equity held.

Subject to our report of even date

for **ANJANEYULU & CO.**

Chartered Accountants

Firm's registration no. 000180S

Sd/-

CA K Narayana Murthy

Partner

Membership No.026012

Place: Hyderabad

Date: 28-05-2025

for and on behalf of the Board of Directors

Sd/-

Dr. S.V.S. Narayana Murty

Chairman & Managing Director

DIN: 11065319

Sd/-

Shri. Gowri Sankara Rao Naramsetti

Director (Finance)

DIN: 08925899

Sd/-

Shri Paul Antony

Company Secretary

Memb. No.A29037

Corporate information

Registered Office

Hyderabad, Telangana

P.O. Kanchanbagh, Hyderabad -500058

Tel. No: 040-2418 4515, Fax No: 040-2956 8502

Website: www.midhani-india.in

Regional / Commercial office

New Delhi (Regional Office)

Core- 6, Floor – 1, Scope Complex, 7 Lodhi Road,
New Delhi – 110070

Tel No. : 011-4166 6375, Fax: 011-2436 6466

Rohtak, Haryana (Armour Unit)

Mishra Dhatu Nigam Limited, Plot No. 8 & 13,
Sector 30 A, IMT, Rohtak, Haryana- 124 001

Statutory Auditors

Anjaneyulu & Co., Chartered Accountants

Cost Auditor

BVR & Associates, Cost Accountants

Secretarial Auditors

D. Hanumanta Raju & Co., Company Secretaries

Bankers

HDFC Bank Limited

State Bank of India

Union Bank (formerly Andhra Bank)

Registrar & Transfer Agent

Alankit Assignments Limited,

4E/2 Jhandewalan Extension, New Delhi -110 055

Tel: 011-4254 1234 / 2354 1234; Fax: 011- 4254 1201

Email: rta@alankit.com

Investor Relations

Shri Paul Antony

Company Secretary & Compliance Officer

P.O Kanchanbagh, Hyderabad- 500058

Tel- 040-2418 4515

Fax: 040-2956 8502

Email: company.secretary@midhani-india.in



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