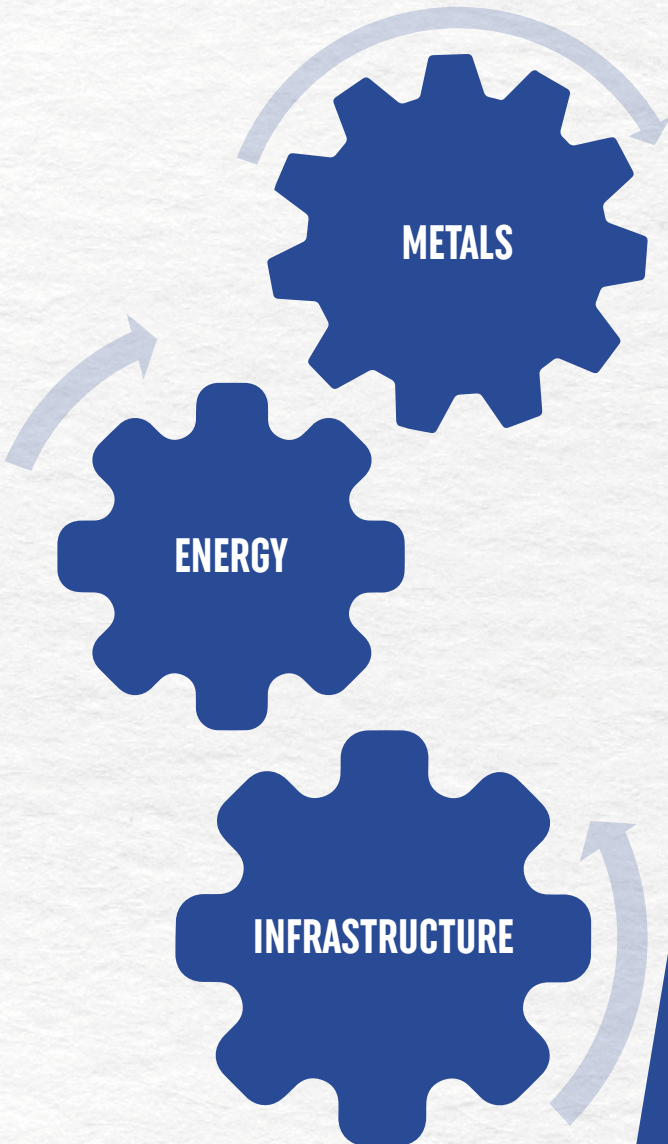


51<sup>st</sup>



मेकॉन लिमिटेड  
(भारत सरकार का संस्थान)  
**MECON Limited**  
(A GOVT. OF INDIA ENTERPRISE)

# ANNUAL REPORT 2023-24





MECON received "Quality Innovation Award" on 11.03.2024 during 3rd National Quality Convention 2024 hosted by The Institution of Engineers (India)- Safety and Quality Forum. Sri P. K. Das, Sr GM (Marketing), MECON received the prestigious award at IACE, Gandhinagar, Gujarat.



Shri S.K.Verma, Director(Commercial), MECON delivered 58th Nidhu Bhushan Memorial Lecture on 28.12.23 on "Reimagining Tomorrow- Shaping the Future through Disruptive and Interdisciplinary Technologies" at 38th Indian Congress organised by IEI at Jabalpur.



MECON received "IEI Industry Excellence Award" on 27.12.23 at 38th Indian Congress, Jabalpur. Sri Rajendra Shukla, Dy. CM, MP and Sri U.P.Singh, Former Secretary, Gol handed over the prestigious award.



MECON, Ranchi was awarded second prize by Town Official Language Implementation Committee, Ranchi in collaboration with CMPDI, Ranchi for the financial year 2022-23 for excellent performance in Official Language Implementation.



MECON received new Patent on 04.12.23 from The Patent Office, Gol for in-house design of Suspension System of Basic Oxygen Furnace Vessel which requires much less space around converter. MECON takes pride with this pioneering innovation in SMS Technologies.



Under vigilance awareness week 2023, MECON organised Pledge ceremony for all employees, which was administered by D(C) in Hindi & English. Messages from Hon'ble President of India & Vice President of India were read by D(F) and D(T) respectively.



On the occasion of Rashtriya Ekta Diwas, MECON organised a 'Run for Unity' and 'Pledge Ceremony' for employees



Cleanliness drive at MECON office under "Swachhata hi Seva campaign"

# VISION & MISSION

## VISION

To be an internationally recognized brand in design, engineering, consultancy, project management and EPC execution.

## MISSION

- To be a global centre of excellence for providing innovative and cost-effective engineering and technological solutions in Metals & Mining as well as diversified sectors like Energy, Infrastructure, Space, Defence etc.
- Leverage deep domain knowledge in the metals and mining sectors to provide solutions from concept to commissioning.
- Leverage in-house capabilities to provide engineering, technological and project management services to priority sectors of economy.
- Develop indigenous technological base and promote self reliance.
- Expand geo-strategic presence and export of services.





**Shri H.D. Kumaraswamy**  
Hon'ble Minister of Steel & Heavy Industries  
Govt. of India



**Shri Bhupathiraju Srinivasa Varma**  
Hon'ble Minister of State for Steel & Heavy Industries  
Govt. of India



**Shri Sandeep Poundrik**  
Secretary to GoI, Ministry of Steel



# Leadership at MECON



**Shri Sanjay Kumar Verma**  
Chairman and Managing Director &  
Director (Commercial) - Addl. Charge



**Smt. Sukriti Likhi, IAS**  
Government Director



**Dr. Sanjay Roy, IIS**  
Government Director



**Shri Mukesh Kumar**  
Director (Finance)



**Shri Amit Raj**  
Director (Technical)



**Shri Pradumn Kumar Dixit**  
Director (Projects)

# Corporate Information

## Board Level Committees\*

### Audit Committee

Dr. Sanjay Roy  
Shri Sanjay Kumar Verma  
Shri Pradumn Kumar Dixit

### Corporate Social Responsibility Committee

Dr. Sanjay Roy  
Shri Sanjay Kumar Verma  
Shri Mukesh Kumar

### Nomination & Remuneration Committee

Dr. Sanjay Roy  
Shri Amit Raj  
Shri Pradumn Kumar Dixit

## Company Secretary

Shri Sudesh Kumar Rathi

## Finance Incharge

Shri Amitava Das Gupta

## Bankers

Union Bank of India  
State Bank of India  
Punjab National Bank  
Bank of India  
Indian Overseas Bank  
HDFC Bank  
Axis Bank  
ICICI Bank

## Statutory Auditor

M/s K Pandeya & Co.  
Chartered Accountants,  
102, Shahdeo Enclave, Near T.V. Tower  
Arya Puri, Ratu Road, Ranchi - 834001  
Jharkhand

## Registered Office

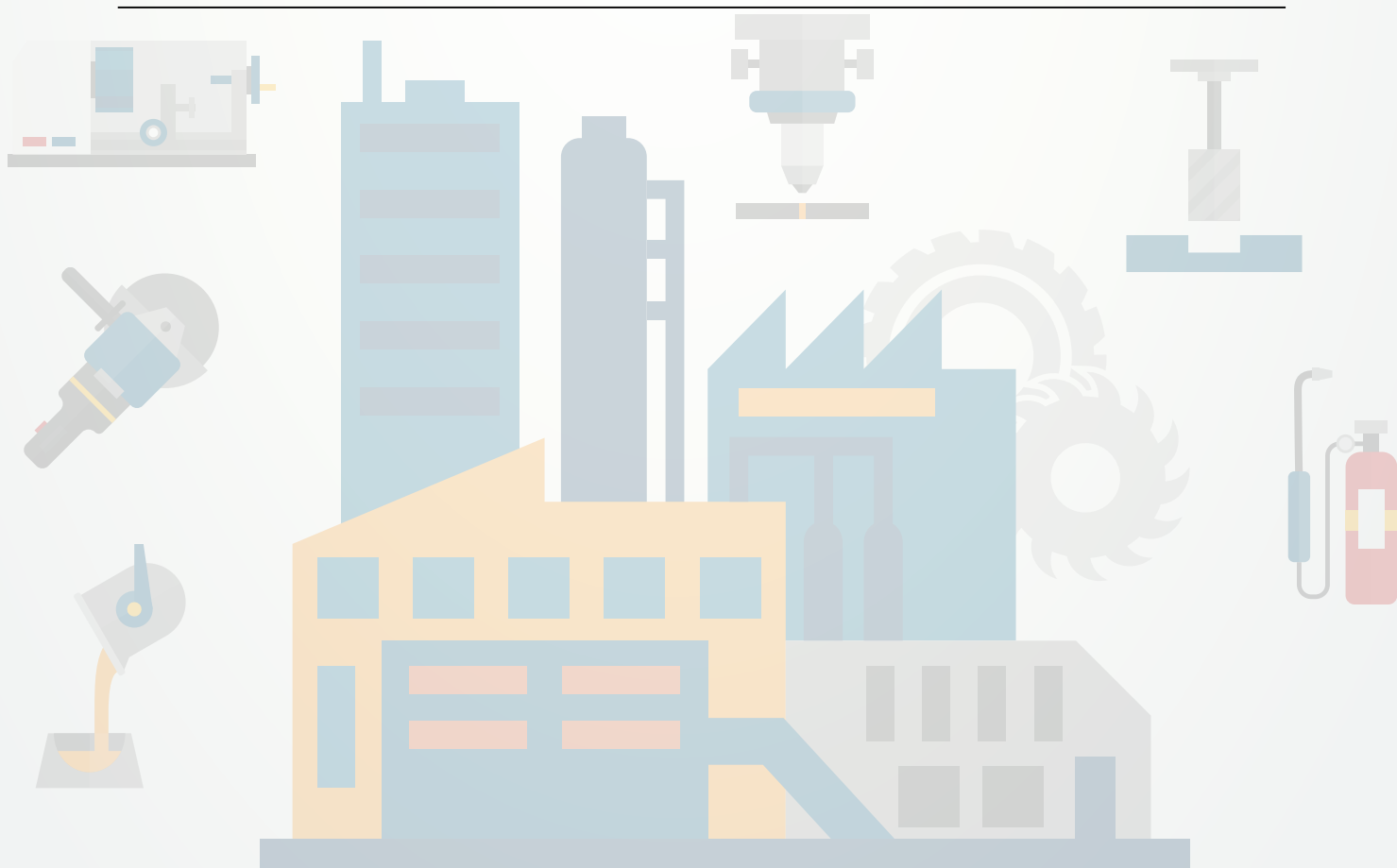
Vivekanand Path, Doranda  
Ranchi - 834002  
Jharkhand, INDIA  
Website : [www.meconlimited.co.in](http://www.meconlimited.co.in)  
CIN : U74140JH1973GOI001199



\*As on 31.03.2024

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## Growth Journey of MECON

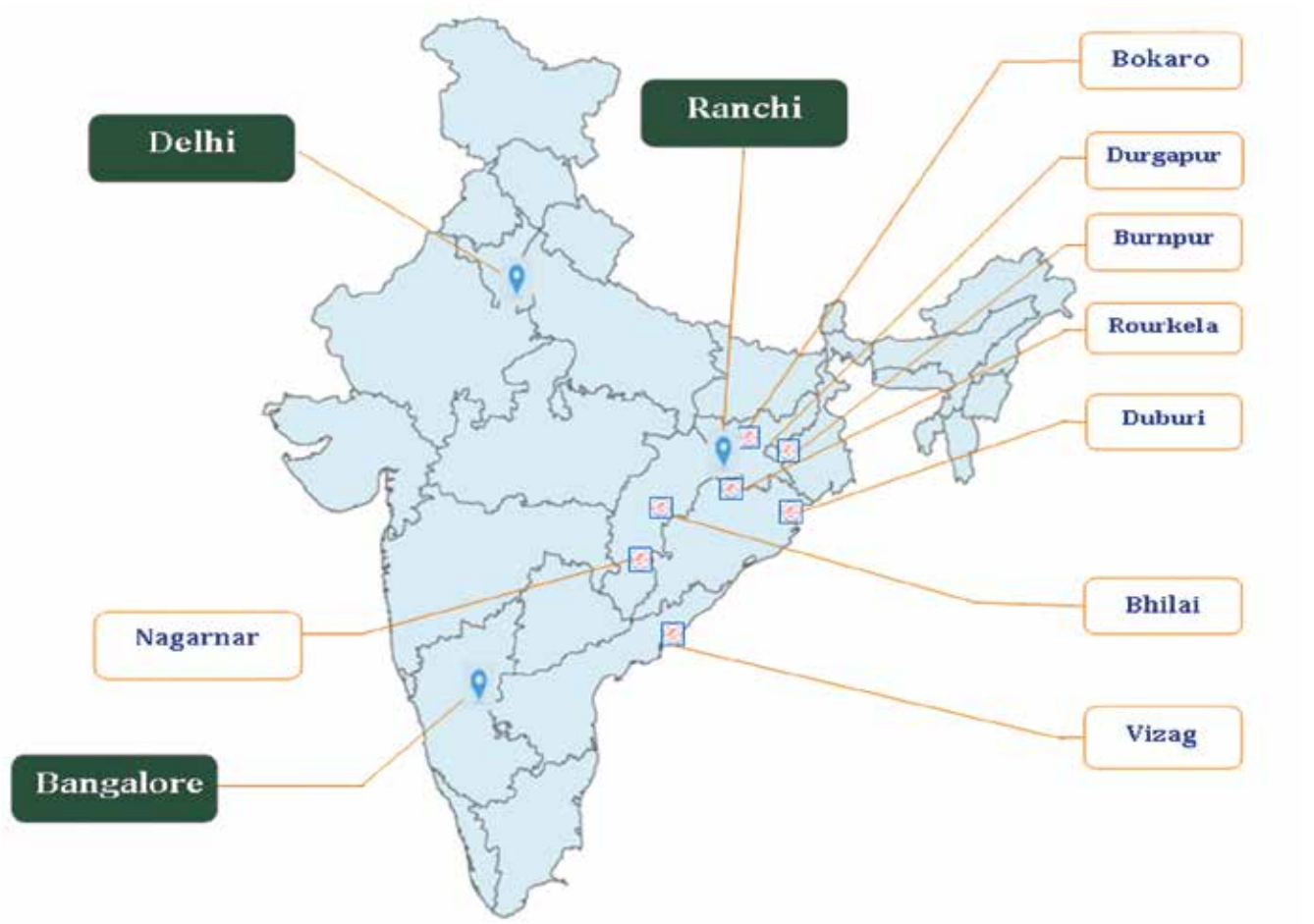
Established in 1959 as an engineering consultant for steel sector in India, today MECON has established itself as 'Total Solutions' Engineering Consultancy Organisation across multiple sectors

	1960 -1975 Inception	1975-1990 Growth	1990-2000 Consolidation	2000-2010 Expansion	2010-Ongoing Excellence
Sectors	Started in steel segment; rendered services for expansion of RSP, DSP & BSP; EPC of Rolling Mills	EPC of Coke Oven Batteries, By-Product Plant and Blast Furnace, PMC of DSP; In-house Env. Engg. lab.. Overseas Business	Established as diversified consultancy organization in India	Restructured into 4-SBUs - Metals, Power, Oil & Gas & Infrastructure SLP for ISRO, Built with In-house capabilities	In-house Design & Development of Loha & Angara; Projects in diversified areas; Development of Uranium Mines
Offering	Engineering consultancy and EPC services	Environmental engineering services Project Management Services; established R&D division.	Forayed into Energy Audit, Asset Valuation and Turnaround Strategies; Increased export services	DEC and PMC services in all SBUs and started Deposit Works basis execution	Entire range of service offerings from Concept to Commissioning in all business verticals

## Strategic Business Verticals



# Network of Offices



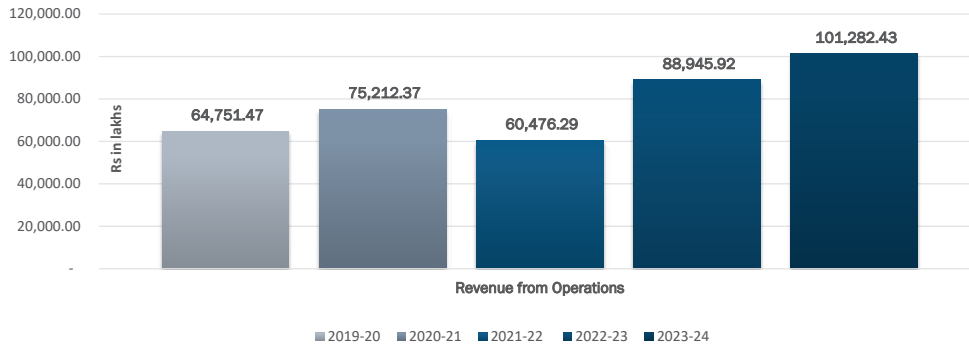
3 Engineering Offices including HO

60+ Project cum Site Offices

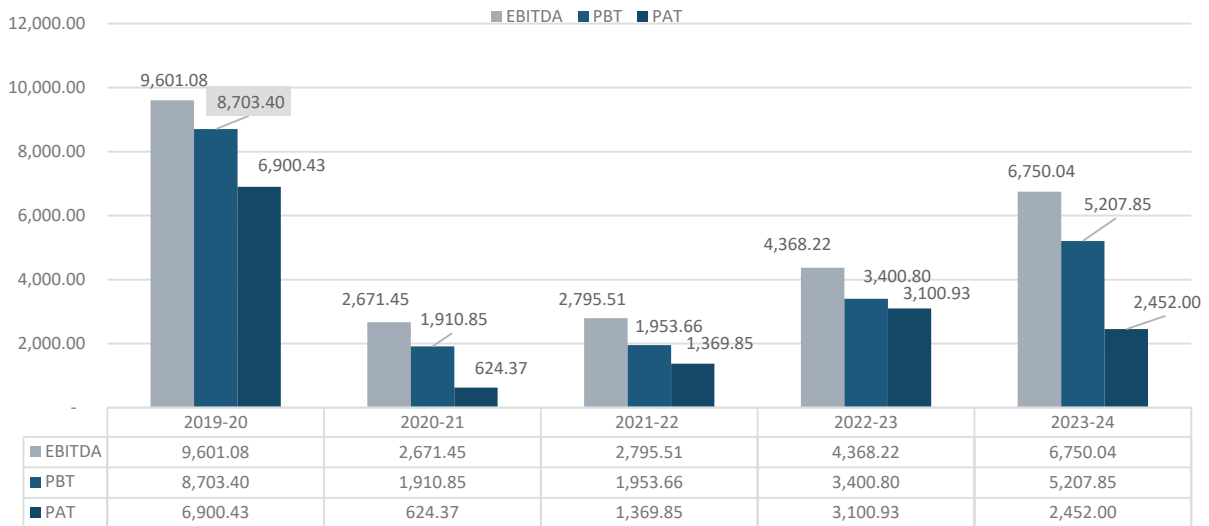


# Financial Highlights

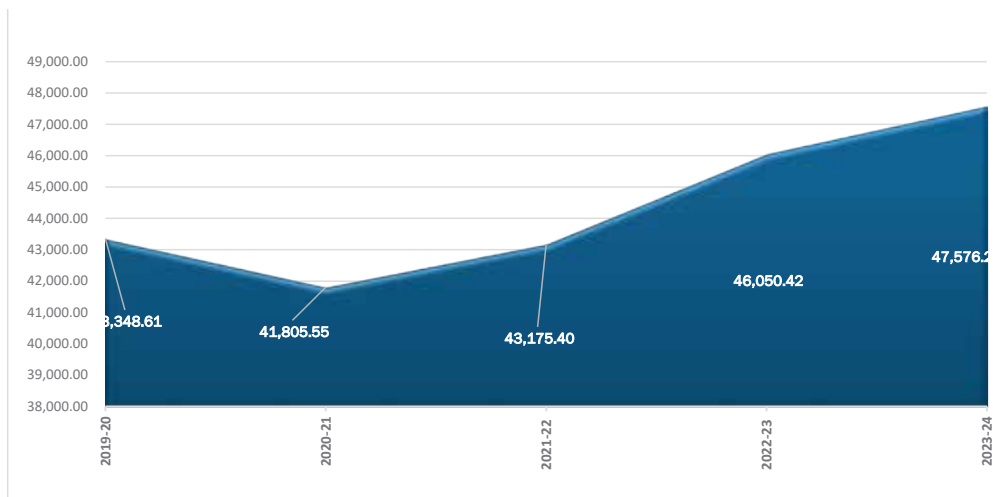
## Revenue from Operations



## EBITDA, PBT & PAT



## Net Worth



# Chairman's Speech



Dear Fellow Shareholders,

On behalf of the Board of Directors of MECON, I welcome you all to the 51<sup>st</sup> Annual General Meeting of your Company.

The Directors' Report and the Audited Accounts for the year ending 31<sup>st</sup> March, 2024 along with Statutory Auditor's Report and comments of Comptroller and Auditor General of India thereon, have already been shared with you. With your kind permission, I take them as read.

The Indian economy is projected to continue its strong growth, driven by infrastructure development, urbanization, and a resurgence in manufacturing. The government's ambitious infrastructure projects, including highways, railways, ports, and affordable housing, are expected to spur demand for steel.

The ongoing transition towards green steel is also an area of immense importance. As we align ourselves with global sustainability goals, there is a pressing need to invest in cleaner technologies and reduce our carbon footprint. This transition, while challenging, presents us with opportunities which we can harness with strategic foresight, agility, and a commitment to innovation.

## Physical and Financial Performance

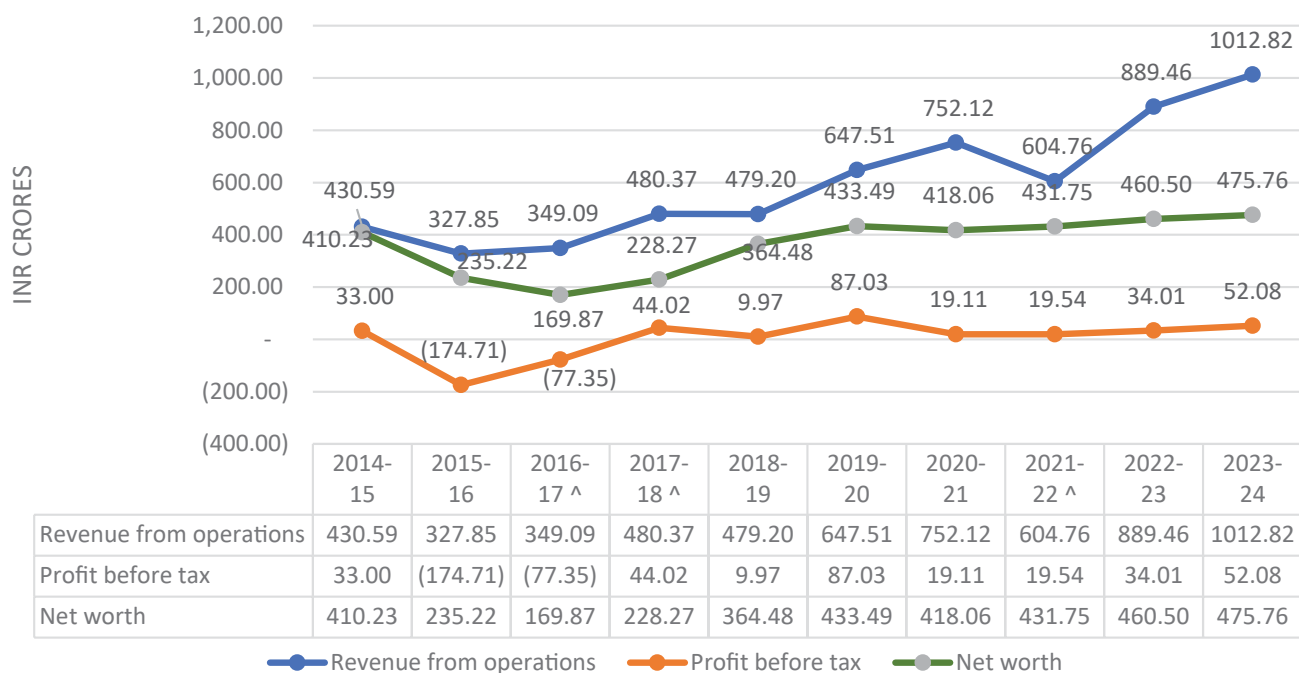
This year has been a transformative one for your Company. By maintaining a steadfast focus on internal transformation, your Company has implemented breakthrough improvements and enacted radical changes. This has laid a solid foundation for driving growth while preserving a strong bottom line.

By embracing a more dynamic business approach, grounded in strategic planning and effective project execution, and by carefully identifying profitable growth opportunities, your Company has achieved record-breaking results.



It is with great pride that I announce Revenue from Operations for this fiscal year stands at INR 1,012.82 Crores, reflecting an impressive 14% growth over the previous year. This achievement not only marks the highest revenue in your Company's history but also signifies your Company's first-ever crossing of the INR 1,000 Crore milestone.

Furthermore, your Company's Profit Before Tax has surged to INR 52.08 Crores, representing a remarkable 53% increase over the last fiscal year, ensuring the continued profitability of your Company. The Turnover Convertible Business Procurement for the fiscal was INR 962.45 Crores – a 300% growth over last fiscal. Your Company's Net Worth has risen to INR 475.76 Crores, and I am pleased to inform that the Board has recommended a dividend of INR 7.36 Crores for this fiscal year.



^ Restated due to implementation of Ind AS

Your Company's strategic approach, industry expertise, and unwavering commitment to delivering excellence have enabled it to secure several significant assignments in the past year. These notable wins not only underscore company's competitive edge but also position it for continued growth and leadership in the industry. A few notable achievements this past fiscal have been :

- ♦ Your Company's credentials have been formally acknowledged with designation as a **Notified Government Exploration Agency** by the Ministry of Mines, Government of India. This recognition, granted under Section 4(1) of the Mines and Minerals (Development and Regulation) Act, 1957, through a Gazette notification dated March 14, 2024, empowers your Company to explore new ventures and expand its business opportunities within the mineral exploration sector.
- ♦ Your Company has been able to revive its business in Defence Sector by securing order for upgradation of security and fire-fighting infrastructure in sixteen (16) ammunition depots at 20 locations for Ministry of Defence.
- ♦ As part of your Company's diversification strategy, it has expanded into the fertilizer sector by securing contracts with NFL (Nano Urea) and NBTC, Kuwait. Additionally, it has successfully obtained a significant project in the Refinery & Petrochemical sector from HPCL, Mumbai Refinery for the Kero Processing Unit. Moreover, to advance within the value chain of the Oil & Gas sector, Company has ventured into the specialized field of micro-tunneling, which requires highly advanced engineering expertise.

Your Company has secured several projects of strategic importance that align with the visions of the Government of India and various State governments, including:

- Consultancy for preparation of DFR for installation of 100 MW Solar PV system for M/s Uttam Galva Ferrous Ltd. – a consultancy order for such a mega project in **renewable energy sector**.
- Consultancy services for Preparation of Detailed Estimate for Isarda- Ramgarh Link Project and for

preparation of Detailed Project Report for linking of 53 dams of Dausa, Sawai Madhopur, Karauli, Bharatpur and Alwar Districts for M/s Eastern Rajasthan Canal Project Corporation Limited. With these two projects secured, company has established itself as a pioneer in **water management initiatives** for the Rajasthan State Government, advancing their vision of linking canals, dams, and rivers.

- c) PMC for Development of University Campus and other Infrastructure at Central Tribal University of Andhra Pradesh at Vizianagaram. This university holds national significance **in promoting tribal education** under the Ministry of Education, Government of India.
- d) Providing Procurement & Contract Engineering services for **Expansion Project of SAIL ISP**.

Amidst various other projects secured, your Company has been awarded the following two significant contracts, for which Engineering, Procurement & Construction (EPC) services are being provided:

- i. Replacement of Converter Vessels, Trunnion Rings, Support System and installation of Secondary Emission Control System for Three Converters in SMS-II for **SAIL/Bhilai Steel Plant, Bhilai**
- ii. Rebuilding of Coke Oven Battery No. 6, Battery Proper for **SAIL/Bokaro Steel Plant, Bokaro**

These assignments reflect the trust that leading organizations place in your Company's capabilities. They are a testament to the ability of your Company to deliver innovative solutions that address complex challenges, meet client expectations, and drive measurable results. Each assignment represents a strategic partnership that strengthens your Company's market position and opens new avenues for future growth.

### Major achievements in Projects executed

Your Company has consistently demonstrated a track record of excellence through its successful execution of various projects across multiple sectors. These achievements are a testament to the Company's commitment to quality, efficiency, and sustainability, ensuring client satisfaction and setting benchmarks in project execution. A few notable achievements are :

- a) The commissioning of NMDC's 3 MTPA Greenfield Integrated Steel Plant at Nagarnar - following the successful activation of various units, the integrated commissioning of the Nagarnar Integrated Steel Plant (NISP) was accomplished, with the first roll-out of a 6 mm coil from the thin slab caster and Hot Strip Mill. This Greenfield ISP represents a significant milestone for the company, marking the first foray into the domain of Operation & Maintenance (O&M). Efforts are underway to achieve the rated capacity and ensure efficient O&M at NISP
- b) Your Company commissioned its own designed **0.4 MTPA Blast Furnace at Bengal Energy**, Kharagpur, West Bengal to produce pig iron. Blast Furnace is equipped with all modern features like Staves, Bell Less Top (BLT), Pulverized Coal Injection (PCI), Filter bed Slag Granulation Plant (SGP),
- c) Your Company was entrusted with the design, engineering, supervision, erection, and commissioning of India's first Rare Earth Permanent Magnet Plant, located at the BARC campus in Vishakhapatnam for IREL. The plant, inaugurated and dedicated to the nation by the Hon'ble Prime Minister, marks a significant step towards Atmanirbhar Bharat. This facility plays a crucial role in manufacturing high-tech products across various sectors, including telecommunications, electric vehicles, microelectronics, aviation, and defense.
- d) Your Company was entrusted by M/s GAIL with Engineering and Project Management Consultancy (EPMC) Services for CNG Dispensing Station on first-of-its-kind Floating Jetty (on Mild Steel Modular Jetty) on river Ganga at Khirkiyaghat (now known as NaMoGhat) and conversion of more than 700 nos. of Diesel/Petrol boats to CNG.

Under this project the world's first floating CNG Daughter Booster Station (DBS), on the basis of Mobile Refuelling Unit (MRU) concept, was installed at the other end of river Ganga ferry line at Sant Ravidas Ghat and inaugurated by Hon'ble Minister MoPNG.

These projects are a step towards Gas based economy and are expected to reduce pollution, and save marine life.

- e) Your Company added another feather in its cap by completing the nation's longest "**Horizontal Directional Drilling (HDD)** crossing of 4080 metres at Brahmaputra River" while rendering Project Management & Consultancy (PMC) services for the North East Gas Grid Project (NEGG) of M/s IGGL, Guwahati (a JV company of M/s GAIL, M/s IOCL, M/s ONGC, M/s OIL & M/s NRL)



## Patents

Your Company believes that embracing new technologies is fundamental to achieving sustainable long-term growth. As the business landscape continues to evolve, it is imperative that employees engage in continuous enhancement and reinforcement of their technological skills and competencies. This focus on technological excellence is not only a strategic priority but also a core principle of company's corporate philosophy.

Your Company's dedication to innovation has been further validated by the successful grant of several key patents during the fiscal year 2023-24. These patents underscore Company's relentless pursuit of cutting-edge solutions and its commitment to leading the industry in technological advancements. The granted patents include:

- a) New design of "*Basic Oxygen Furnace Vessel Suspension System*."
- b) "Travelling Grate Type Pellet Plant (1.2 MTPY Capacity)", which shall facilitate access to Indigenous & Robust design of Pellet Plants.
- c) "Improved Blast Furnace and Operation thereof", of the in-house developed design of 4250 m<sup>3</sup> Blast Furnace "LOHA 4250".
- d) "Improved 7.0m tall Coke Oven Battery (COB)". This is 2<sup>nd</sup> patent granted to MECON for Coke Oven Battery.
- e) System and Method for zone wise Induction Heat treatment of Sheet Blanks
- f) Infrared Camera based ladle Condition Monitoring System
- g) Improved 5.0 m tall Coke Oven Battery

As your Company moves forward, it will continue to prioritize technological advancements as a key driver of growth, ensuring that company's products and services not only meet but exceed the expectations of its clients and stakeholders.

## Awards & Recognition

Your Company's dedication to excellence is reflected not only in the quality of its products and services but also in the recognition it receives from industry peers and respected institutions. I am proud to share that your Company's relentless pursuit of innovation, customer satisfaction, and operational excellence has been recognized through several prestigious awards and accolades over the past year, such as:

- a) The "**IEI Industry Excellence Award**", in the category, Engineering Services and Consultancy, in the 38<sup>th</sup> Indian Engineering Congress, organized by the Institution of Engineers (India) in December 2023.
- b) The Winner of '**Quality Innovation Award-2024**' by Safety & Quality Forum of Institution of Engineers (India) in March 2024.
- c) MECON executed project of HPCL - the first bottom loading refilling terminal & zero waste water discharge plant at Hisar New Terminal - has been **awarded for best construction project in India** in the 15<sup>th</sup> **CIDC Vishwakarma Award 2024**.
- d) MECON executed Barauni Guwahati Pipeline (BGPL) Project of GAIL has been **named for achievement award** for best construction project in India in **15th CIDC Vishwakarma Award 2024**. It was commissioned in March 2024.
- e) "**The GEEF Global Water Tech Award 2024**" in the 'Water Conservation Company of the Year 2024' category for ZLD plants and ETP+ZLD plants, executed by us.

These awards and recognitions are a testament to the hard work, creativity, and commitment of your Company's entire team. They reflect the core values of innovation, integrity, and customer-centricity, which guides the company in everything it does. Each accolade strengthens your Company's resolve to continue delivering exceptional value to its clients, stakeholders, and the communities it serves.

## Environment Management

As your Company continues to grow and expand its business, environmental management remains at the heart of its operations. Your Company is committed to executing projects that not only drive economic growth but also

contributes to the preservation and protection of our planet. Through a series of forward-thinking initiatives, sustainable practices have been integrated into every aspect of company's project execution, from design and development to implementation and beyond. A few significant environmental engineering projects being executed are :

- a) Significant engineering efforts have been put in to achieve near Zero Liquid Discharge for Steel Plants projects being executed. At present, services are being provided to RSP for achieving near Zero Liquid Discharge for their Integrated Steel Plant with engineering solution for treatment of their out fall discharges and recycling for reuse in the steel plant.
- b) Project consultancy and site supervision services are being provided for Odisha Mining Corporation for construction of Effluent Treatment Plants for Sukurungi Chromite Mines for remediation of Hexavalent Chromium from their Chromite mine discharge effluent to protect the surface water bodies from contamination.
- c) Your Company is also executing prestigious assignments of preparing EIA-EMP reports for Green field as well as Expansion Projects as well as Ecological Damage Assessment Studies and suggested corresponding Remedial Management Plans along with Environmental and Community Resource Augmentation for esteemed Clients viz. Iron Ore Mines of OMC, Integrated Steel Plant of JSW Tornagallu and Dolvi, Indo Asia Copper & Fertilizer Limited Rajulla, Integrated Steel Plants of DSP, SAIL Iron Ore Mines of Bokaro and Bhilai Steel Plants, Supercritical Thermal Power Plant of Haryana Power Generation Corporation, etc.

### Corporate Social Responsibility

Your Company's social initiatives are guided by the belief that organizations can significantly contribute to building a better, more inclusive society. This commitment to social responsibility is an integral part of company's corporate ethos, driving its initiatives to create a meaningful impact in areas where its support can make a difference.

Your Company's efforts span a wide range of activities, including nutrition, education, healthcare, women's empowerment, support to elderly people & divyangs by enhancement of infrastructural facilities, rural development etc. in Ranchi and in adopted villages of Jharkhand, particularly in the Aspirational Districts identified by NITI Aayog, Government of India.

During FY 2023-24, in addition to its regular CSR programs, company placed special emphasis on supporting the Government's annual theme of "Healthcare & Nutrition," working diligently to address these critical areas.

### Corporate Governance

Your Company remains dedicated to upholding strong corporate governance and ethical practices. This year, your Company proudly achieved an 'Excellent' rating in compliance with the Corporate Governance Guidelines issued by the Government of India, continuing its track record of receiving this top rating every year since its inception.

### Acknowledgement

As the company celebrates these achievements, it remains focused on the future, with a clear vision for sustained growth and innovation. Your Company will continue to set new benchmarks in the industry, driven by its passion for excellence and its commitment to being a leader in its field.

To conclude, I acknowledge that all these achievements have been possible only due to persistent and dedicated efforts made by the employees of the Company. On behalf of the shareholders and management of the Company, I thank the Company's trusted clients, vendors and other partners and stakeholders in business for enabling it to perform up to the expectations of the customers.

I gratefully acknowledge the support extended to us by Government of India, Ministry of Steel and thank them for the confidence and trust bestowed upon the Company and the opportunities given for growth. Your continued support, trust and encouragement are what give us energy, confidence and motivation to strive for betterment. I sincerely assure you that the Company will grow in the years ahead.

Thank you & Jai Hind!

# Board Report

Dear Members,

Your Directors' have the pleasure in presenting 51<sup>st</sup> Annual Report on the operations of the Company and the audited Financial Statements of the Company for the Financial Year 2023-24. The Report of the Statutory Auditors' on the Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the comments of the Comptroller and Auditor General of India (C&AG) under Section 143(6)(b) of the Companies Act, 2013 (The Act) on the Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 alongwith Management's replies thereon are annexed to this Report.

**“ During the F.Y. 2023-24, your Company registered a strong and resilient performance by achieving highest-ever turnover in the history. ”**

## 1. Physical Performance

During the F.Y. 2023-24, your Company has registered a strong and resilient performance by achieving highest-ever turnover in the history of MECON and has also witnessed a notable increase in business procurement compared to previous financial year. With a focus on sustainable growth, we are determined in our commitment to uphold our position as a global leader in providing innovative and cost-effective engineering and technological solutions to our clients worldwide.

We remain dedicated to consolidating our presence across diversified business verticals, ensuring sustained growth and excellence. Sector-wise major projects completed/under progress during the year include:

### Metals Sector

- ◆ Rebuilding of Coke Oven Battery No. 2 (Pkg.-2), SAIL/Rourkela Steel Plant, Rourkela is under execution by your Company on Turnkey mode. The rebuilt battery will be 4.5 m tall having 70 ovens and 0.425 MTPA Gross Coke production capacity. Refractory laying of Chimney was completed on 30.03.2024.



- ◆ Coke Oven Battery No. 2 along with Coke Dry Cooling Plant of 3.0 MTPA Iron & Steel Plant of NMDC Limited, Nagarnar has been successfully commissioned on 25.04.2023. Your Company has provided Consultancy, PMC and Supervision services for the project. Your Company is also rendering Operation & Maintenance services.



- ◆ Your Company has completed the scope of supply and services on 21.03.2024 for Rebuilding of Coke Oven Battery No. 7 & 8 of SAIL/Bhilai Steel Plant, Bhilai. Both Batteries are 4.3 m tall and each battery is having 65 ovens & 0.393 MTPA Gross Coke production capacity.

- ◆ Performance Guarantee Test for Battery proper of Rebuilding of Coke Oven Battery No. 8 (Pkg.-1), SAIL/Bokaro Steel Plant, Bokaro has been successfully completed on 04.02.2024. The project has been executed on Turnkey mode. The rebuilt battery is 5 m tall having 69 ovens and 0.55 MTPA Gross Coke production capacity.



- ◆ Performance Guarantee Test for Rebuilding of Coke Oven Battery No. 4 of SAIL/Rourkela Steel Plant, Rourkela was conducted and all the parameters as per contractual provisions have been successfully achieved. SAIL/Rourkela Steel Plant issued Performance Guarantee Certificate on 03.05.2023 Final Acceptance Certificate has also been issued by SAIL/ Rourkela Steel Plant, Rourkela on 06.01.2024. The project has been executed on Turnkey mode.
- ◆ Your Company has been entrusted with Rebuilding of Coke Oven Battery No. 6 (Pkg.-1) of SAIL/Bokaro Steel Plant, Bokaro on Turnkey mode. Contract was signed on 06.01.2024. The rebuilt battery will be 5 m tall having 69 ovens and 0.55 MTPA Gross Coke production capacity. The project is under execution.



- ◆ Your Company has been entrusted by JSPL, Raigarh for the Health Study of Horizontal type Heat Recovery Coke Oven Batteries. Health study is under execution.



- ◆ Commissioning of Thin Slab Caster, Tunnel Furnace and In-Line Hot Strip Mill of 2.9 MTPA of NMDC at Nagarnar has been completed in December-23. This is the 1<sup>st</sup> In-Line Rolling Hot Strip Mill plant in PSU. Your Company has provided DEC and PMC for the job.



- ◆ Successful commissioning of Bowl Cleaning Machine of ISRO, Sriharikota has been completed in January 2024.



- ◆ 1x4506 m<sup>3</sup> Blast Furnace of NMDC Limited, Nagarnar has been commissioned in the month of September 2023 and in operation since then. Your Company is providing consultancy & PMC services and O&M service for the same.



- ◆ 1x460 m<sup>2</sup> sinter plant of NMDC Limited, Nagarnar has been commissioned in the month of June 2023 and operating since then. Your Company is providing consultancy & PMC services and O&M service for the same.
- ◆ Bengal Energy Limited, Kharagpur, West Bengal had entrusted your Company for providing technology, know-how, Design, Engineering & Consultancy services for installation of 1 x 320 m<sup>3</sup> (WV) BF Complex and 60 m<sup>2</sup> Sinter Plant in their existing Kharagpur plant. The blast furnace & sinter plant were commissioned in July 2023. The furnace has achieved productivity of 4.0 t/m<sup>3</sup>/day on working volume which is industry benchmark. The sinter plant is also running at a productivity of ~1.4 t/m<sup>2</sup>/h.
- ◆ Your Company has provided detailed engineering services for up-gradation of Blast Furnace-2 of TATA Steel Limited (Metaliks Division). The project has been successfully commissioned in September 2023.
- ◆ Your Company has provided Know-how & concept to commissioning services to Jai Balaji Industries Limited for installation of a new Blast Furnace of 305 m<sup>3</sup> (WV) at Durgapur, West Bengal. The plant has been commissioned in January 2024.
- ◆ Jairaj Ispat, Kurnool, AP has entrusted your Company for providing technology, know-how, Design, Engineering & Consultancy services for installation of 1 x 380 m<sup>3</sup> (WV) BF Complex and 1x75 m<sup>2</sup> Sinter Plant complex. The project is under execution.
- ◆ Jindal Ferrous Limited, Duburi, Odisha has entrusted your Company for installation of 1 x 248 m<sup>2</sup> Sinter Plant complex and 1 x 2307 m<sup>3</sup> (UV) BF Complex. The project is under execution.
- ◆ JSW Utkal Steel limited has entrusted your Company for providing Detailed Engineering & Consultancy services for setting-up two nos. of Pellet Plants, each of capacity 8.0 Mt/yr, based on Straight grate process along with 30 Mt/yr Slurry filtration unit in their proposed green field Integrated Steel Plant at Paradeep, Odisha. The project is under execution.
- ◆ Jindal Steel Odisha Limited, Angul has entrusted your Company for vetting of engineering for one of the India's largest twin Blast Furnaces, each having useful volume of 5499 m<sup>3</sup>. The project is under execution.
- ◆ TATA Steel Limited (Gamaharia) has entrusted Your Company for providing Detailed Engineering and Consultancy services for up-gradation and modification of MBF#1. The project is under execution.
- ◆ SLR Metaliks Limited, Hospet, Karnataka has entrusted your Company for providing Detailed Engineering & Consultancy services for 1 x 262 m<sup>3</sup> Blast Furnace. The project is under execution.
- ◆ WELSPUN DI Pipe Limited has entrusted your Company for providing Engineering and Consultancy services for its Phase-2 Ductile Iron Plant of capacity 1.5 Lakh Tonnes per annum. The project is under execution.
- ◆ KIC Limited, Durgapur, West Bengal has entrusted your Company for providing Detail Engineering and Consultancy Services for up-gradation of RMHS and Hot Blast Stove system. The project is under execution.
- ◆ Jindal Saw Limited, Samaghogha, Gujarat has entrusted your Company for providing Detailed Engineering & Consultancy services for modification of BF#1 top structures, replacement of BF shell, incorporation of stove coolers in BF#1. The project is under execution.
- ◆ Jindal Saw Limited, Samaghogha, Gujarat has entrusted your Company for providing Detailed Engineering & Consultancy services for modification of under-hearth cooling system from air cooling to water cooling in BF#2. The project is under execution.
- ◆ Your Company is providing Detailed Engineering & Consultancy services and providing solutions for integration of existing units with new units coming under 13-18 MTPA expansion project at JSW Steel, Vijayanagar works. The project is under execution.
- ◆ JSW Steel Limited, Dolvi Works has entrusted your Company for providing Detail Engineering & Consultancy Services for installation of 80 tph Coal Pulverization System for their BF#1. The project is under execution.
- ◆ JSW Steel Limited has entrusted your Company to provide design, engineering & consultancy services for the proposed expansion to 18 MTPA for Phase-I of the New Steel Melt Shop. Erection of the structures and equipments of the SMS Shop are under advanced stage of completion with part hot commissioning of LF1 and CCM<sup>2</sup> successfully accomplished on 09.04.2024.



- ◆ SAIL/Bhilai Steel Plant has entrusted your Company for providing Design Engineering & Consultancy services for addition of Bloom casting faculties in the upcoming 3 strand Beam Blank Caster in SMS#3 of BSP. The Performance Guarantee Certificate for Integrated Production Guarantee test of CCP has been issued on 05.08.2023.



- ◆ SAIL/Bhilai Steel Plant has entrusted your Company for execution of the project for SMS#2 Shop of Bhilai Steel Plant on EPC basis. The EPC contract was signed between SAIL/BSP and your Company (Consortium Leader) & Consortium Partner JP Steel Plantech Co. (SPCO), Steel Plantech India Private Limited (SPI) on 15.12.2023. Basic Engineering is under completion (97%) and Detail Engineering and order placement is in progress adhering to stringent completion schedules.

- ◆ Your Company is rendering Consultancy & Design Engineering services for the expansion project of Jindal Stainless Limited (JSL) and Jindal Ferrous Limited (JFL) at Jajpur, Odisha. JSL & JFL is planning to increase its liquid steel production capacity by 2.0 MTPA to achieve up to 3.4 MTPA. The project is under execution.

### Mining Sector

- ◆ Your Company is executing Coal Handling Plant of 10 MTPA capacity at Eastern Coalfields Ltd., Rajmahal on EPC mode. The Design and Engineering of the Project has been completed and the CHP is at an advanced stage of execution.
- ◆ Your Company is executing Coal Handling Plant of 10 MTPA capacity at Mahanadi Coalfield Limited, Kaniha on EPC mode. The Design and Engineering of the Project has been completed and the CHP is at an advanced stage of execution.
- ◆ Your Company is executing Bauxite Crushing Plant at NALCO, Damanjodi Panchpatmali Mines. The Design and Engineering of the project has been completed and the plant is at an advanced stage of execution.
- ◆ Your Company has submitted the Revised Mining Plan, Mine Closure Plan and Technical Feasibility Report of Capacity Expansion from 18.0 MTPA to 22.0 MTPA of Pakri Barwadih Coal Mines of NTPC at Jharkhand.



- ◆ Your Company has submitted the Techno-Economic Feasibility Report for Development of 2.0 MTPA Iron Ore Mine, Crushing and Screening Facilities and Beneficiation plant at Devadari Iron Ore Mine (ML. No.20) Bellary, Karnataka for Kudremukh Iron Ore Company Limited (KIOCL).



Visakhapatnam. On the occasion of National Technology Day, Hon'ble Prime Minister dedicated 'Rare Earth Permanent' to the nation on May 11, 2023 through VC. The plant has been successfully commissioned and desired throughput achieved on 29.12.2023.

The facility has been established based on indigenous technology provided by BARC and DMRL and using indigenous Rare Earth material (i.e. Samarium) extracted from monazite sourced from beach sand. With this facility, India has joined a select group of nations with capacity to produce Rare Earth Permanent Magnets ( $\text{SmCo}_5$  and  $\text{Sm}_2\text{Co}_{17}$ ) and Make in India self-reliant in this area.

This land mark development is a huge step in the direction of "AtmaNirbhar Bharat" as up to now most of our needs for this critical item were being met through imports only.



- ◆ Your Company has successfully delivered Detailed Engineering & Consultancy services for the installation of four (4) of 105 TPH Vertical Pressure Filters within the existing SPF building of the Pellet Plant at KIOCL Limited in Mangalore. The Performance Guarantee (PG) test of the plant was successfully completed on March 26, 2024.



- ◆ Your Company has successfully delivered Detailed Engineering & Consultancy services for the installation of India's largest Iron Ore Crushing Plant of 20 MTPA capacity for JSW Steel Limited at Nuagaon, Odisha. The project entails designing the plant within the small, mined-out pit. JSW has commissioned the 1<sup>st</sup> phase (10MTPA circuit) in July, 2023 and is in operation.



- ◆ Your Company has successfully delivered the Consultancy Services for the 100 TPH Ball Mill Project for The Hutti Gold Mines Company Limited (HGML) at Hutti, Karnataka. It is the India's only Gold Mine in Operation. The project involves engineering and construction management services for installation 100 TPH grinding plant with other process equipment to recover the free gravity recovery gold (GRG). The project has been Commissioned in December, 2023.



- ◆ Your Company recently completed the study of determining iron contents and free steel deposit in the slag dump yard of SAIL/Bokaro Steel Plant as part of land development study. The slag is spread over 550 acres with an approx. height of 15-20 m.



### Power Sector

- ◆ Your Company being Engineering and PMC consultant has successfully completed Commissioning of Power and Blowing station of NISP, Nagarnar in August 2023 and successfully completed PG Test of 4x3000 KVA DG Station at NISP, Nagarnar in March, 2024.
- ◆ Your Company has successfully completed RLA study of Stage-1 & Stage-2 machines of 6x130 MW Idukki Hydro Electric Project of Kerala State Electricity Board and submitted DPR for 3x130 MW Stage-2 machines in the month of March, 2024.
- ◆ Your Company has bagged Work Order for RLA study and preparation of DPR for Unit # I & II (2x37.5 MW) Hydel Power Plant of Idamalayar Generation Division of Kerala State Electricity Board in April, 2023 and submitted RLA Report for both the units in the month of December, 2023.
- ◆ SAIL/Bokaro Steel Plant has entrusted your Company for Power System Study of entire Power Distribution Network of Bokaro Steel Plant. The assignment has been completed and study report has been submitted.
- ◆ Tata Steel (Tata Steel Long Products Limited, Joda) has entrusted your Company for Detailed Engineering & Consultancy services of their existing MRSS 220kV switchyard. The project has been successfully completed.

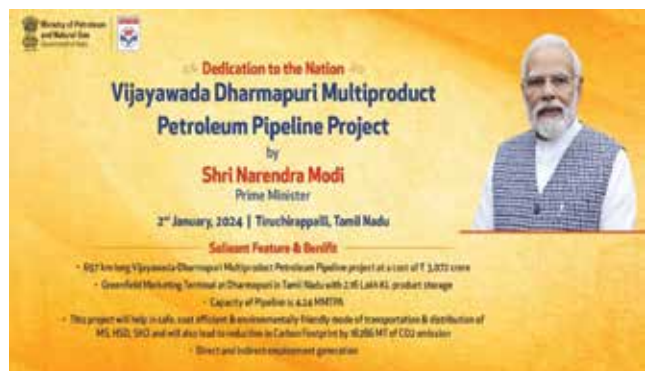


### Oil & Gas Sector

- ◆ Hindustan Petroleum Corporation Limited (HPCL) Hisar New Terminal has been awarded for best construction project in India in the 15<sup>th</sup> CIDC Vishwakarma Award 2024. It is HPCL-MECON first bottom loading refilling terminal & zero waste water discharge plant. Your company has provided Engineering & Project Management Consultancy services for the project.



- ◆ Green Field Product Oil Terminal at Dharmapuri of Hindustan Petroleum Corporation Limited was dedicated to the Nation by Hon'ble Prime Minister of India on 02.01.2024. Your Company has rendered Engineering & Project Management Consultancy services for this project. The storage capacity of this terminal is 2.16 Lakh KL.



- ◆ Your Company rendered Engineering services to M/s GAIL (India) Ltd., for installation of a Daughter Booster Station on Floating Jetty with CNG being made available through Navigable Mobile Cascade Unit (MRU) at Sant Ravidas Ghat, Varanasi. This second CNG Station on floating jetty was inaugurated on 26.11.2023 by the Hon'ble Union Minister of Petroleum & Natural Gas.

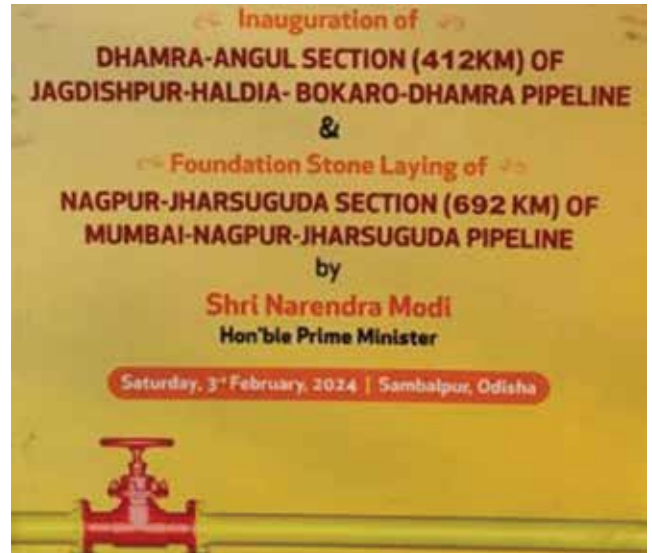


- ◆ Barauni Guwahati Pipeline Project of GAIL has been named for achievement award for best construction project in India in 15<sup>th</sup> CIDC Vishwakarma Award 2024. Your company has provided Engineering & Project Management Consultancy services for the project.
- ◆ Engineering & Project Management Consultancy services for Spurline (33 Km) of Jagdishpur-Haldia-Bokaro-Dhamra Pipeline Project of GAIL connecting to Tata Refractories Limited has been successfully commissioned.



- ◆ Your Company has successfully completed 22" and 24" HDD of 1180m at Bastanar Ghat crossing with 100m elevation difference in Dantewada region of Slurry Pipeline Project of NMDC Limited. Your company has provided Engineering & Project Management Consultancy services for the project.

- ◆ Your Company takes pride in rendering Engineering & Project Management Consultancy services for Dhamra Angul Pipeline Project (412 KM) (Part of Prestigious Pradhan Mantri Urja Ganga Project) of Jagdishpur-Haldia-Bokaro-Dhamra pipeline of GAIL, which has been dedicated to the Nation by Hon'ble Prime Minister of India on 03.02.2024.



- ◆ Your Company has successfully completed the installation and commissioning of small-scale LNG Liquefaction modular skids at GAIL Vijaipur for in-situ conversion of natural gas to LNG which is first of its kind in the country.



- ◆ Your Company has successfully completed Installation & Commissioning of Roof Top On-Grid Solar System with net metering system for IP stations of JHBDPL Ph-II Project of GAIL (India) Ltd resulting in Energy conservation and cost savings for the client.
- ◆ Your Company has successfully completed Installation & Commissioning of Roof Top On-

Grid Solar System with net metering system for IP stations of BGPL Project of GAIL (India) Ltd resulting in Energy conservation and cost savings for the client.

- ◆ Your Company has successfully completed installation & commissioning of off-grid Solar System with battery back-up in SV stations of JHBDPL Ph-II Project of GAIL (I) Ltd.
- ◆ Your Company has successfully completed Installation & Commissioning of off-grid Solar System with battery back-up in SV stations of BGPL Project of GAIL (I) Ltd.
- ◆ Your Company has successfully completed the Natural Gas Pipeline connectivity to IOCL Paradip and to Arcelor Mittal Nippon Steel India (AM/NS). These are spurlines of JHBDPL Ph-II Natural Gas Pipeline Project where your Company is providing Engineering & Project Management Consultancy services.

### Infrastructure Sector

- ◆ Employees' State Insurance Corporation (ESIC) Hospital building along with Paramedical services has been completed and handed over to ESIC. This was inaugurated by Hon'ble Prime Minister of India on 25<sup>th</sup> February, 2024. The Project at Phulwarisharif (Patna), Bihar includes construction of 50 Bedded ESIC Hospital (Expandable to 100 beds), Paramedical services like Modular Operation Theatre, Medical Gas Pipe Line System, Central Sterile Service Department, Laundry, Residential units etc. Your Company has provided services as Executing Agency for the project.



- ◆ Shri Dharmendra Pradhan, Minister for Education, Skill Development and Entrepreneurship, Govt. of India, laid the foundation stone on 24.11.2023 for the State-of-the-Art training facility of National Skill Training Institute (NSTI Plus) at Jatni, Bhubaneswar. Your Company is providing Engineering &

Project Management Consultancy services for the project and the same is under execution.



Your Company is serving a large number of clients in Public and Private Sectors. Some of the major clients include HGML, WELSPUN, JSW Group, KIC METALIKS, SLR METALIKS, GAIL, ERCPC, SAIL, NMDC, UCIL, NALCO, HZL, ARCELOR MITTAL, Tata Group, NFC, OMC, NFL, KSEB, MPGCL, HPGCL, OIL, BPCL, GGL, UPRVUNL, HPCL, Nalanda University, Central University of Jammu, Central University of Odisha, Central Tribal University of Andhra Pradesh, Ministry of Defence, GGV, MHU, ADANI, APMDCL, APPGCL, ASHB, BARC, BENGAL ENERGY, BGL, BPSCL, CCL, CPCB, DVC, ECL, GSPL, HAL, HINDALCO, HCL, Heavy Water Board, IDCOL, IGL, Indian Navy, IOCL, IREL, IRSDC, ISRO, KIOCL, KPT, MAHAGENCO, KSMCL, MCL, MONNET, MRPL, NINL, NLC, NPCIL, NSPCL, OHPC, OMD, ONGC, OPTCL, OSISL, PPT, RINL/VSP, RRVUNL, South West Mining, SMIOR, TANGEDCO, TNGCL, UADNL, UGSL, Vedanta Group, VPT, etc.

## 2. Indian Assignments

Your Company has procured following major work orders during 2023-24:

### Metals Sector

- ◆ Engineering, Procurement and Construction (EPC) services for Rebuilding of Coke Oven Battery No. 6 (Battery Proper) of SAIL/Bokaro Steel Plant, Bokaro.
- ◆ Engineering, Procurement and Construction

- (EPC) services for replacement of Converter Vessels, Trunnion Rings, Support System and installation of Secondary Emission Control System for Three Converters in SMS-II of **SAIL/Bhilai Steel Plant**, Bhilai.
- ◆ Procurement and Contract Engineering services for 4.08 MTPA Crude Steel Expansion of **SAIL/IISCO Steel Plant**, Burnpur.
  - ◆ Engineering & Consultancy services for proposed RMHS for 10 to 15 MTPA expansion of Dolvi works for **JSW Steel Limited**, Dolvi.
  - ◆ Project Management Consultancy services for implementation of the Decline Construction and Underground Mine Development Project of **Hutti Gold Mines Company Limited**.
  - ◆ Engineering and Consultancy services for Expansion of DI Pipe Plant (Phase-II) at Anjar, Gujarat for **Welspun Group**, Gujarat.
  - ◆ Engineering & Consultancy services for modification of BF top structures, replacement of BF shell, incorporation of stove coolers in Blast Furnace (BF#1) for **Jindal Saw Limited**, Gujarat.
  - ◆ Study report for requirement of Air Pollution Control Systems at various units of **JSW-BPSL Plant**.
  - ◆ Design, Engineering and Consultancy services for modification in Water System of BF#1 of **JSW Steel Ltd.**, Dolvi.
  - ◆ Detailed Engineering services for water pipeline project at ISP site of **JSW Utkal Steel Ltd.**, Paradeep, Odisha.
  - ◆ Design, Engineering and Consultancy services for Upgradation of RMHS and Hot Blast Stove system of **KIC Metaliks Ltd.**, Durgapur.
  - ◆ Preparation of Concept Note and Feasibility report for installation of Dual fuel burners and Enhancement of facilities for 6.0 MTPA Pellet Plant in the present 2.0 MPTA Pellet Plant at Nagarnar for **NMDC Limited**.
  - ◆ Consultancy and TAS for selection of MDO Raising Contractor for Development and Operation of Mine and preparation of Modified Mining Plan of Devadari Iron Ore Mine for **KIOCL Limited**, Bengaluru.
  - ◆ Consultancy services for upgradation of Hot Blast Stove Complex of MBF-1 of **SLR Metaliks Ltd.**, Bellari.
  - ◆ Detailed Engineering & Consultancy services for modification of BF top structures charging conveyors, modified tuyere stock assembly installation of fixed throat armour and relocation of 14 metre platform in BF-2 Complex of **Jindal Saw Limited**.
  - ◆ Detailed Engineering & Consultancy services for proposed Gas Boosting and Mixing Station in COB-2, CO&CC at **SAIL/Durgapur Steel Plant**, Durgapur.
  - ◆ Engineering Consultancy services for Construction of Reservoir Rail Tracks and Pipelines at **SAIL/IISCO Steel Plant**, Burnpur.
  - ◆ Preparation & submission of Revised Mining Plan & Mine Closure Plan along with Technical Feasibility Report on Capacity Expansion of Pakhri Barwadih Coal Mine of **NTPC Limited**.
  - ◆ Preparation of Pre-Feasibility Study Report for DRI-EAF route for 2.5 MTPA Greenfield Expansion at **SAIL/Durgapur Steel Plant**, Durgapur.
  - ◆ Preparation of TEFR & EIA/EMP report for the proposed 3x15 (45) MTPA Iron Ore Beneficiation Plant along with Downhill Conveyor at Surjagarh in Gadchiroli District in the State of Maharashtra for **Lloyds Metals & Energy Ltd.**
  - ◆ Preparation of EIA/EMP Studies for the grant of EC from MoEFCC for Expansion of Chrome ore production capacity from 0.3 MTPA to 0.6 MTPA at Sukurangi Chromite Mines for **Odisha Mining Corporation Limited**.
  - ◆ Preparation of TEFR, PFR & EC for 7 MTPA Pellet Plant at Paradeep for **Arcelor Mittal Nippon Steel India Limited**, Odisha.
  - ◆ Detailed Engineering & Consultancy services for installation of belt conveyor for handling of slag from slag storage building of JSL Jajpur to Yard Conveyor feeding to slag storage area of **JSW Cement Ltd.**, Jajpur.
  - ◆ Detailed Engineering & Consultancy services for upgradation of existing Stove no. 3 of BF-1 at **JSW Steel Limited**, Dolvi.
  - ◆ Preparation of Pre-Feasibility Report cum Comparison Study to select the most efficient technology for the proposed project including Carbon Capture and mitigation plan for next phase for 5.0 MTPA expansion at Hazira for **Arcelor Mittal Nippon Steel India Limited**, Hazira.
  - ◆ Preparation of TEFR to set up BHQ (Banded Hematite Quartzite) Crushing and Screening Plant of 45 MTPA (3X15) feed capacity and



other associated Mine infrastructure facilities at Surjagarh Mines & EIA/EMP report to obtain EC from MoEF&CC for capacity expansion of mines from 14 MTPA to 55 MTPA of **Lloyds Metals & Energy Limited** at Surjagarh, Gadchiroli district, Maharashtra.

## Energy Sector

- ♦ Engineering & Project Management Consultancy services for 2 nos. additional crude oil storage tank inclusive of ancillary services at Madhuban for **Oil India Limited**.
- ♦ Engineering, Procurement and Construction Management services for installation of New Motor driven WGC at FCCU of Mathura Refinery for **Indian Oil Corporation Limited**, Mathura.
- ♦ Consultancy & Site Supervision services for Water Supply Augmentation Project of **Oil India Limited**.
- ♦ Project Management Consultancy services for production of Aviation Gasoline Plant at Paradip Refinery for **Indian Oil Corporation Ltd.**, Paradip.
- ♦ Design, Engineering & Consultancy services for 6 MW Power plant unit along with associated Utilities & Services for **SLR Metaliks Ltd.**, Vijayanagara.
- ♦ Preparation of Residual Life Assessment (RLA) study report of Unit I and II Machines at Idamalayar Power Station of **Kerala State Electricity Board Limited**.
- ♦ Preparation of EIA Report & EC for Kaiga Atomic Power Project Units 5&6 (2x700 MWe PHWR) of **Nuclear Power Corporation of India Limited**.
- ♦ Preparation of report for Valuation of available unusable items/components of Unit No. 1 to 6 of HTPS, Kasimpur, Aligarh for **U.P. Rajya Vidyut Utpadan Nigam Ltd.**, Aligarh.
- ♦ Preparation of report for Grouping & Valuation of unserviceable / serviceable surplus scrap materials of all Units of OHPC for **Odisha Hydro Power Corporation Ltd.**, Bhubaneswar.
- ♦ Engineering & Project Management Consultancy services for Tendering Activities for Equipment/ Material & Works Contract for **Indraprastha Gas Limited**, Delhi.
- ♦ Preparation of Feasibility Report for participation of 12<sup>th</sup> Round CGD Bidding for **Tripura Natural Gas Company Limited**.

## Infrastructure Sector / Other Engineering

- ♦ Consultancy services for preparation of Financial Model including assessment of reserve price of land parcel for monetization of land bank including all infrastructure of **Eastern Rajasthan Canal Project Corporation Ltd.**, Jaipur.
- ♦ Project Management Consultancy services for modernization of Naval Aircraft Yard at Goa & Kochi for **Ministry of Defence**.
- ♦ Project Management Consultancy services for Development of University Campus and Other Infrastructures of **Central Tribal University of Andhra Pradesh**, Vizianagaram.
- ♦ Project Management Consultancy services for the Management & Supervision with Architectural Services for Execution of Projects/ Works in GGV Campus for **Guru Ghasidas Vishwavidyalaya**, Bilaspur.
- ♦ Project Management Consultancy services for the work "Construction of G+8 storied Quarters and Infrastructure facilities for IOCL Township Expansion of Paradip Refinery" at Paradip, Odisha for Indian Oil Corporation Ltd.
- ♦ Project Management Consultancy services for Upgradation of Security and Fire Fighting Infrastructure in Sixteen (16) Ammunition Depots at (Twenty) 20 Locations for **Ministry of Defence**.
- ♦ Engineering, Procurement and Construction Management services to carry out Pre-award activities for LSTK contract & Post-award PMC services for project 20/10 MLD Desalination Plant at Uran for Oil and **Natural Gas Corporation Ltd.**, Uran.
- ♦ Engineering & Project Management Consultancy services for preparation of Master Plan, Supervision of Construction, Quality Control & Development of NSTI Campus, Hotels & Residential Buildings and other Infrastructures for **National Skill Training Institute**, Bhubaneswar, Odisha.
- ♦ Consultancy services for Covering of Stock Pile at Loading Plant of Kirandul & Fine Ore Stock Pile of Bachel Project (Phase-1- Pre-construction phase) of **NMDC Limited**.
- ♦ Consultancy services for Detailed Survey, Geological Investigations and Hiring of Experts for preparation of Detailed Project Report for linking of 53 dams of Dausa, Sawai Madhopur, Karauli, Bharatpur and Alwar Districts for

### **Eastern Rajasthan Canal Project Corporation Limited.**

- ◆ Project Management Supervision Consultancy (PMSC) for 20 PF Data Centre at Bengaluru for **Centre for Development of Advanced Computing (C-DAC)**, Bengaluru.
- ◆ Consultancy services for Detailed Survey, Geological Investigation and Hiring of Experts for preparation of Detailed Estimate for Isarda-Ramgarh Link Project for **Eastern Rajasthan Canal Project Corporation Limited.**
- ◆ Engineering & Project Management Consultancy services for setting-up of Manufacturing Plant with Civil Infrastructure and Plant & Machineries at Tikamgarh for **Artificial Limbs Manufacturing Corporation of India.**
- ◆ Consultancy services for carrying out the Tender Evaluation work of Navneera- Galwa-Bisalpur- Isarda (NGBI) Link Package 1, NGBI Link Package 2 & NGBI Link Package 3 for **Eastern Rajasthan Canal Project Corporation Ltd.**, Jaipur.
- ◆ Baseline Monitoring including required studies to existing contract of consultancy services for EIA and EC & CRZ for Away From Reactor (AFR) Spent Fuel Storage Facility for KKNPP Units 1 & 2, District Tirunelveli, Tamil Nadu for **Nuclear Power Corporation of India Limited.**

## 3. Foreign Assignments

Overseas assignment bagged by your Company is highlighted below:

- ◆ Preparation of Technical & Commercial Feasibility Report for relocation of Fertilizer Plant for NBTC Group, Kuwait.

## 4. Future Business Vision

Your Company is positioned for significant growth in the Steel Sector, a core competency where it has a

## 6. Business Diversification

By remaining agile, adapting to market dynamics and leveraging its strong engineering foundation, your Company is confident to deliver consistent and sustainable growth in the years to come. In this regard, your Company is diversifying into areas of cutting-edge technologies such as Pumped Storage Systems, Battery Energy Storage Systems, Floating Solar Power, Green Hydrogen, Carbon Capture & Utilization (CCU), and Carbon Capture, Utilization & Storage (CCUS) technologies, Industry 4.0, etc. Additionally, we are venturing into new business segments like O&M services, Coal Gasification, Refineries, Defence, and Space Infrastructure, partnering strategically to meet challenges emerging from changed business scenario. In addition, your Company is actively exploring opportunities in international markets, participating in overseas projects and tenders.

unique advantage. Your Company is looking forward to tap the opportunities unleashed by the manifold investment plans in the form of number of new steel projects including Secondary Steel Sector.

Further, the Company is diversifying its services and clientele to minimize market vagaries and is fully geared up to harness the prospective opportunities in areas other than metal and plans to venture into newer areas of business like Pumped Storage System, Green Hydrogen, CCU/CCUS based technology, Coal Gasification, Refineries, Defence and Space infrastructure etc. with strategic partners to meet challenges emerging from changed business scenario.

It is also planning to provide tailor made solutions addressing client's specific needs while adhering to quality, cost and schedule. The recent foray into newer vertical of O&M Services of Integrated Steel Plant stands testimony to this. Your Company is also eyeing at International market for business potential and is participating in number of projects in MENA countries.

## 5. Management Initiatives

Management has taken number of initiative in the area of business diversifications, project executions, technology development, quality, manpower development, etc. which have started yielding good results.

The continued expansion in Iron and Steel Sector coupled with substantial investment in infrastructure sector present significant growth opportunities for MECON. MECON has taken up focused efforts to grab these opportunities by putting in place suitable enablers for long term sustainable growth.

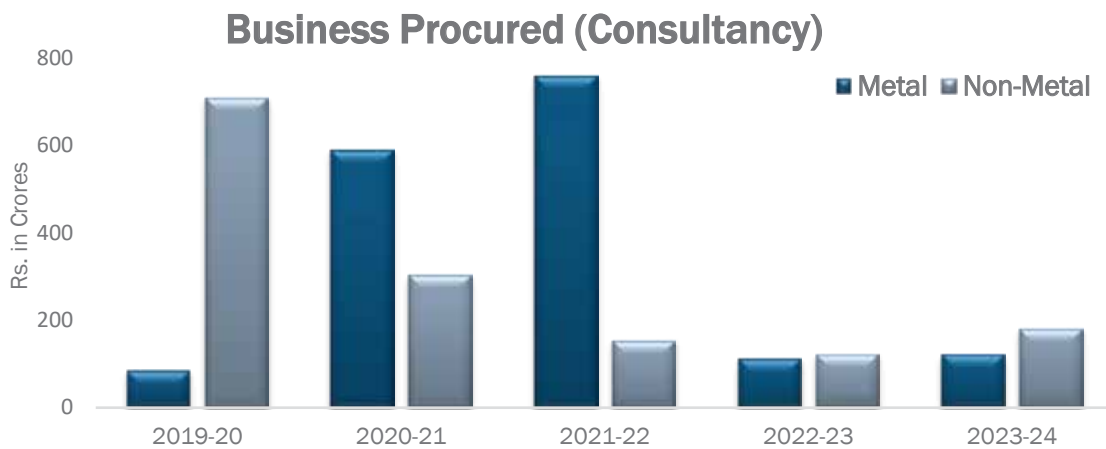
Your Company has initiated the process of augmenting its diverse, dedicated, motivated and highly talented workforce to develop convincing project solutions for catering to the varied demands of customers. This enables fully interdisciplinary coverage of all aspects of the project cycle from definition to competition.



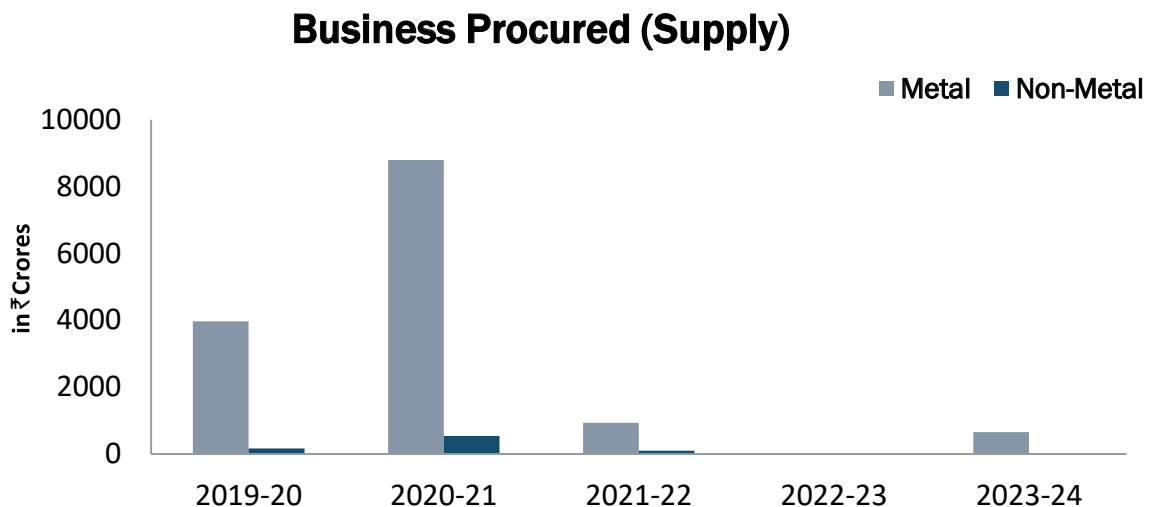
The total business procurement from all the SBUs of the Company in Consultancy and Supply jobs during the FY 2023-24 vis-a-vis FY 2022-23 is as follows :

(Rs. in Crores)

SBU	2022-23		2023-24	
	Consultancy	Supply	Consultancy	Supply
Metal	112.59	-	122.63	659.15
Energy	90.06	-	36.30	-
Infrastructure	32.64	-	144.37	-
Sub-Total	235.29	-	303.30	659.15
Total	235.29		962.45	

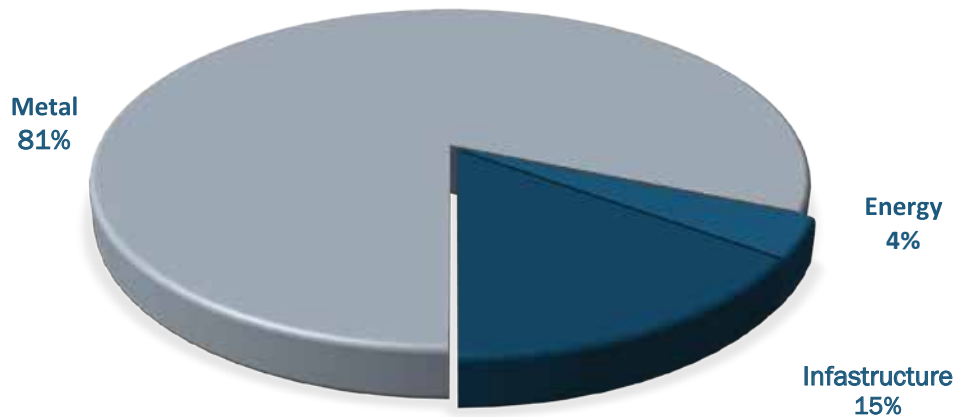


“ Your Company is commitment to uphold its position as a global leader in providing innovative and cost-effective engineering and technological solutions worldwide. ”



During this fiscal year, SBU wise share in business procurement in Metal, Energy & Infrastructure has been of the order of 81%, 4% and 15% respectively.

## SBU WISE BUSINESS PROCURED



## 7. MoU with Ministry of Steel on performance

Like previous year, your Company has signed a MoU with the Ministry of Steel for the F.Y. 2023-24.

## 8. ISO 9001:2015 Certification

Your Company is an ISO- 9001:2015 certified Company since 1994 and has an Apex Quality Manual (AQM) which describes the Quality Management System (QMS), confirming to ISO-9001:2015.

In January, 2024, your Company has successfully completed the recertification audit by TUV India Pvt.

Ltd. and received ISO9001:2015 certificate from TUV Nord CERT GmbH, Germany. The scope of Company's certification includes Consultancy, Design and Engineering, Procurement of Plant and Equipment, Inspection, Construction and Project Management Services and Erection of Turnkey projects. Your Company's QMS has met the requirements of the Standard and is recommended for continuation of ISO 9001:2015 certification with validity till 29.01.2027.

The certification body identified some potential improvements and highlighted good practices with NIL nonconformities during the audit. Suggestions given in TUV Rectification Audit Reports, are being implemented.

**“ The EBITDA of the Company has increased by 54.53% over previous financial year. ”**

## 9. Financial Performance

Your Company has achieved highest ever Revenue from Operations of Rs. 1,01,282.43 lakhs during the FY 2023-24, marking a significant growth of 13.87% over previous financial year. The EBITDA of the Company during the FY 2023-24 was Rs. 6,750.04 Lakhs which has remarkably increased by 54.53% over previous financial year.

The highlights on financial performance during the F.Y. 2023-24 vis-à-vis previous financial year is as follows:

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	1,01,282.43	88,945.92
EBITDA	6,750.04	4,368.22
Profit / (Loss) Before Tax	5,207.85	3,400.80
Profit / (Loss) After Tax	2,452.00	3,100.93
Net Worth	47,576.28	46,050.42



### Details on contracts or arrangements with related party

There were no contracts or arrangements with related party referred under Section 188(1) of the Companies Act, 2013. The relevant disclosure in form AOC- 2 is enclosed vide **Appendix- 1**.

### Details on Revenue from Operations and Revenue from Operations per Employee

The Revenue from Operations of the Company for the F. Y. 2023-24 was Rs. 101,282.43 Lakhs whereas Revenue from Operation per Employee was Rs. 97.48 Lakhs.

### Disclosure on fraud reported by Auditor

There were no instance of fraud which were required to be reported by the Auditor under Section 143(12) of the Act.

### Particulars of loans, guarantees or investment

Your Company has neither made any investment nor provided any loan or guarantee during the F. Y. 2023-24 which are covered under Section 186 of the Act.

### Transfer to Reserves

No amount has been transferred to General Reserve during the year under review.

### Dividend

The Board of Directors of your Company have recommended dividend of Rs. 735.60 Lakhs on the fully paid-up equity share capital of Rs. 4013.84 Lakhs for the F. Y. 2023-24.

### Cumulative dividend and tax paid to Exchequer

Your Company has paid cumulative dividend of Rs. 11,372.44 Lakhs till F.Y. 2023-24. The cumulative income tax to the Exchequer amounting to Rs. 67,060.11 Lakhs has been paid / provided till F. Y. 2023-24.

### Material changes and commitments affecting financial position of the Company between end of the Financial Year and the date of the Report: NIL

### Performance of Joint Venture-

Refer Note No. 42.11 of the Financial Statement of the Company for the FY 2023-24.

### Name of Companies which have become or ceased to be the subsidiary, JV or Associate Company during the FY 2023-24: NIL

### Details on foreign exchange inflows and outflows

During the F.Y. 2023-24, the actual amount of foreign exchange earning of your Company was Rs. 171.72 Lakhs whereas Rs. 1.73 Lakhs was the actual amount of foreign exchange outgo.

### Details of Deposits

Your Company has not accepted any deposits as specified under Section 73 to 76 of the Act during the F. Y. 2023-24 and therefore there do not call for any disclosure as required under Rule 8(5)(v) of Companies (Accounts) Rules, 2014.

### Maintenance of Cost Records

Your Company is not required to maintain cost records as specified under Section 148(1) of the Act and accordingly, no Cost Auditor is being appointed in the Company.

## 10. Research & Development

In the present global scenario, knowledge-based assets or Intellectual Property Rights (IPRs), especially Patents, have special significance for organizational growth and competitiveness. Realizing this, the R&D Division of the Company has been engaged in patenting activities and has been granted several patents.

Some of the major areas of research being carried out by the R&D Division are Green Steel technology, Zero Liquid Discharge (ZLD) System, Metal Recovery from slag, Conversion of Diesel/Petrol Engine Boats to Dual fuelled CNG propelled Boats and Installation & commissioning of Integrated Engine Testing (IET) facility for testing of Semi Cryogenic Engines for ISRO.

Your Company has entered into collaborative tie-up with reputed institutions and companies like Jadavpur University, TATA Steel Limited and ISA Impex Private Limited for project specific requirement.

### Recognition of MECON R&D

The R&D division of your Company is recognized by Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India. The current certification received from DSIR is valid upto 31.03.2025.

### Intellectual property rights received during the F.Y. 2023-24

Seven (07) Indian Patents have been granted to your Company during the FY 2023-24 primarily in the following areas: -

Patent Date	Title
11.10.2023	Improved 5.0M tall Coke Oven Battery
30.11.2023	Basic Oxygen Furnace Vessel Suspension System
25.01.2024	Travelling Grate type Pellet Plant
30.01.2024	Improved Blast Furnace and Operation thereof
08.02.2024	System and Method for zone wise Induction Heat treatment of Sheet Blanks
15.03.2024	Improved 7.0M tall Coke Oven Battery
24.03.2024	Infrared Camera based ladle Condition Monitoring System

### Expenditure incurred on R&D activities

During the year under review, your Company incurred Rs 192.68 Lakhs towards R&D activities.

## 11. Conservation of Energy & Technology absorption

Your Company is committed to conserve energy and accordingly has undertaken several measures to reduce energy consumption at its Head Office as well as in its residential township at Shyamali, Ranchi.

Energy audits are conducted every two to three years through certified Energy Auditors of the Company to identify the energy conservation options. Your Company has made capital investment of around Rs. 16.35 Lakhs during the F.Y. 2023-24 towards energy conservation equipment's like BLDC fans and small distribution transformer.

Some of the notable steps undertaken towards conservation of energy at Head Office as well as in the residential township at Ranchi are as follows:

- 100% conventional light fittings (i.e. GLS/HPSV/HPMV/Fluorescent light) are being replaced with energy efficient LED light fittings.
- Phase-wise replacement of existing 1800 nos. (approx.) of 80W ceiling fans with 5- star energy efficient (BLDC) ceiling fans in office premises. Already 200 BLDC ceiling fans are in the process of procurement. Around 1,45,800 units of electricity shall be saved annually after the replacement.
- Phase-wise replacement of very old distribution transformers installed at residential township at

Shyamali with better efficiency class transformer complying with IS: 1180, 2014 standards.

- The 140 kWp roof top solar plant installed in office premise at Ranchi is generating around 500-560 units of electricity per day which is being used for in- house consumption. The Company is exploring the possibility to further increase its rooftop solar capacity.

Your Company as a consultant is also committed to share its knowledge on energy conservation measures to its various clients on switching to IE3 motors, variable frequency drives, capacitor bank, roof top solar, floating solar, FGD, zero discharge, etc. Further, Certified Energy Auditors of the Company also conducts energy audits for various industrial plants.

- Your Company has signed a Memorandum of Understanding (MoU) with Energy Efficiency Services Limited (EESL), a Public Sector Undertaking under the Ministry of Power, to jointly work in the field of energy conservations in steel industries. A team of engineers have been assigned to study and analyse green hydrogen market and its requirement in the steel sector.
- Rourkela Steel Plant (RSP) was provided consultancy services for installation of 30 MLD (1250 m<sup>3</sup>/h) capacity domestic sewage effluent treatment plant for its township for recycling / reuse as makeup water to their steel plant which will result in reduction in fresh water consumption. Further, RSP was also rendered services for achieving near Zero Liquid Discharge (ZLD) for their Integrated Steel Plant by providing engineering solution for treatment of their out fall discharges and recycling for reuse in the steel plant.
- GAIL (India) Limited was rendered Engineering Procurement Construction Management (EPCM) services for installation and commissioning of Roof Top on-Grid Solar System with net metering system for IP stations at JHBDPL Phase- II Project and IP stations of BGPL Project. The said system ensures conservation of energy and cost.
- GAIL (India) Limited was provided EPCM services for installation & commissioning of Off-Grid Solar System with battery back-up in SV stations of JHBDPL Phase-II Project and BGPL Project.
- Odisha Mining Corporation was provided consultancy services for construction of Effluent Treatment Plants for remediation of Hexavalent Chromium from their Chromite mine discharge



effluent to protect the surface water bodies from contamination.

- Your Company has carried out Ecological Damage Assessment Studies and suggested corresponding remedial management plans along with Environmental and Community Resource Augmentation for clients like Iron Ore Mines of OMC, Integrated Steel Plant of JSW, Indo Asia Copper & Fertilizer Limited, Integrated Steel Plants of DSP, SAIL Iron Ore Mines of Bokaro and Bhilai Steel Plants, Thermal Power Plant of Haryana Power Generation Corporation etc.
- Your Company is also involved in installation of continuous ambient Air Quality Monitoring Stations for Integrated Steel Plant of NMDC, Nagarnar.
- Your Company is also providing consultancy services for renovation and up-gradation of existing Sewage Treatment Plants (STP) along with sewer network at Barkakana, Chari – Prem Nagar, Rajrappa, KDH Dakra and providing new STP along with sewer network at Govindpur Kathara Townships of Coal Mines of Central Coalfields Limited. This will provide and improve the sanitation and hygiene levels by providing improved living standard and preserve health.

On the technology front, your Company has provided Engineering Procurement Construction Management (EPCM) services to GAIL (India) Limited for installation and commissioning of small-scale LNG Liquefaction modular skids at GAIL Vijaipur for in-situ conversion of natural gas to LNG. This has resulted in a reduction in transportation costs for the client. Also, now clean energy fuels such as LNG can be made available in areas where gas pipelines could not be made available due to high capital costs associated with laying pipelines. The said technology is imported into India by GAIL (India) Limited.

## 12. Human Resource Development

### Talent acquisition and its management

Your Company believes that employees constitute the most important assets for the organization. An efficient and effective employee contributes to the success of the organization. The Human Resource (HR) Department of the Company is adhered to plan and implement the process of recruitment of quality human resources

with necessary qualification, skills, aptitude, merit and suitability in line with the Company's requirement.

The valuable Human Resource of the Company consisting of professionally qualified persons are inducted through multiple sources of recruitment viz. Campus recruitment as well as Lateral Entry basis.

### Capacity Building

In order to have competitive advantage in a knowledge-based organization, the organizational competence i.e., the Human Capital needs to be unique in nature. In view of this, the management lays emphasis to focus and sustain a competent and highly responsive workforce with adequate domain expertise. Focus is laid on acquiring new skills and sharpening existing ones, which leads to better performance, increases productivity and evolves our employees as better leaders.

Regular Knowledge Management sessions are conducted to effectively disseminate and utilize organizational knowledge. Management always strives to focus towards development of its employees with the objective that they will lead the company through challenging environment and ensure that sustained value creation is achieved. With this objective, various human resource development activities were undertaken in the FY 2023-24. The Company has achieved 866.23 Man days of training and development (Technology – 235.49 Mandays, Technical – 614.74 Mandays and Soft Skill – 16 Mandays).

Apart from conducting regular training on technical, skill related and soft skill, based on Training Need Analysis and Organizational Requirement, focus has been upon latest technological advancements and developing leadership effectiveness. Along with organizing Management Development Program (MDP), Knowledge sharing session and web-based training programs with various center of excellence such as, Two-day training programme on Industry 4.0, Energy Efficiency in HVAC&R Industries and Air Pollution Control Equipment, Workshop on Right to Information Act, Training on Empowering HR for Embracing New Technology for Sustainable Development, Workshop on Prevention of Sexual Harassment of Women at Workplace, New Labour Codes for Employers and Professionals of CPSEs/SLPEs, Training on Art of Influencing, Retirement Wellness Workshop etc., were also organized.

### Performance Management

The Performance Management System (PMS) is a robust and transparent system for evaluating the

performance of employees based on specific and measurable standards communicated to the employee, with the features of correctiveness, inclusiveness, standardization and ethics in the system.

The evaluation of overall performance of an employee for capturing his/her work performed is done with the following two tiers.

- First tier evaluates the performance of an employee which signifies his/ her actual work performed in the financial year, and
- Second tier evaluates the potential of an employee which signifies the latent qualities or abilities in the employee for his/her future growth, in turn facilitating the Organizational growth.

It gives employees a clear understanding of their areas of strength, improvement and gives executives an access to their developmental needs. Along with this, it creates a performance culture through continuous performance improvements of individual employees, teams and in turn Organization as a whole. Further, it provides clear growth path for talented individuals, helps to identify and develop leadership talent for the future.

### Steps towards development of differently abled persons

With a view to focus on its role as a socially responsible and socially conscious organization, your Company has taken various steps towards development of differently abled persons in the Company after introduction of the Rights of Persons with Disabilities Act, 2016.

A Grievance Redressal Officer (GRO) has been nominated at the Head Office, Ranchi under Section 23 of the Rights of Persons with Disabilities Act, 2016. Provisions have been made in the buildings to provide barrier free access to differently abled persons. Ramps have also been provided for unhampered movement of wheel chairs.

**The strength and number of employees of persons belonging to <sup>1</sup>PwBD category is indicated below:**

Cat./ Group	Manpower as on 31.03.2024	PwBD	
		No.	%
A	912	06	0.76
B	27	NIL	-
C	73	05	6.84
Total	1012	12	1.18

### Information pursuant to the requirement of Sexual Harassment of Women at Workplace (Prevention, Protection and Redressal Act, 2013)

Your Company has complied with the provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 including constitution of an Internal Complaints Committee (ICC) for dealing with complaints of sexual harassment of women at workplace.

<sup>1</sup> Persons with Benchmark Disability

### Industrial Relations

Your Company is focused on employee relationships and all employee related matters are addressed leading to greater satisfaction. The Company maintained harmonious industrial relations throughout the year. Mandays loss due to internal action was reported as 'NIL' for FY 2023-24 due to the participatory ecosystem prevalent in the company which shows the concerted efforts undertaken by the management as well as the association/ union to work in unison towards organizational objectives. Liaison with other associated external agencies was also maintained cordially and on regular basis.

### Rewards & Recognitions

The Company firmly believe that the greatest asset are its talented and dedicated workforce. As we reflect on the past year, we recognize the outstanding contributions of our employees. Their commitment, innovation, and hard work have driven our success. In this section, we celebrate our team members and acknowledge their achievements through our rewards and recognition programs. Primarily, following are the schemes for recognizing the employees:

- Long Service Award Scheme (15 years/ 30 years).
- Memento to superannuating employees.
- Centralized Farewell Scheme.



The summary of sexual harassment complaint received and disposed during the year is as follows:

Number of cases pending as on 01.04.2023	NIL
Number of complaints received in F.Y. 2023-24	NIL
Number of complaints disposed-off during F.Y. 2023-24	NIL
Number of complaints pending as on 31.03.2024	NIL

### 13. Steps towards welfare of SCs/STs & information on Presidential Directives on reservations of SC/ ST employees.

In addition to its corporate and business objectives, the Company is fully aware of its social responsibilities for development and welfare of members of Scheduled Caste (SC) / Scheduled Tribe (ST) Communities. The strength and number of employees of SC / ST category presently employed in your Company is indicated below:

Cat./Group	Manpower as on 31.03.2024	SC		ST	
		No.	%	No	%
A	912	210	23.02	53	5.81
B	27	0	-	10	37.03
C	73	13	17.8	36	49.31
<b>Total</b>	<b>1012</b>	<b>223</b>	<b>22.03</b>	<b>99</b>	<b>9.78</b>

The Company has adopted adequate measures for safeguarding the interest and welfare of the SC/ST employees such as promotion as per general trend, regards for human rights, equality and impartiality in all spheres of activities and providing abundant opportunities for self-development through sports, cultural, educational and recreational facilities.

Employees belonging to SC/ST category and their families residing in Company's township enjoy all the facilities as available to others. In order to implement the Government of India directives and post-based Rosters with regard to recruitment and promotion of SCs/ STs, 'SC/ST Cell' has been formed with Sr. General Manager (HR) as Liaison Officer.

The SC/ST Cell maintains proper record regarding recruitment, promotion and statistics of SC/ST employees and furnishes reports to the Ministry of Steel on regular basis. The Company has made consistent efforts to accommodate SC/ST candidates in all recruitments as well as in promotion to the next higher grade as per the Government Directive. Further, your Company undertakes all steps to fill up the post in reserved category as per the directives of the government, issued from time to time.

### 14. Corporate Social Responsibility (CSR)

As provided under Section 135 read with Schedule-VII to the Act, your Company has carried out CSR activities, mainly focused on Nutrition & Healthcare, Education, Skill development & Livelihood, etc.

The details of Projects/ Activities carried out with respect to period commenced prior to 01.04.2020 is enclosed at **Appendix- 2**. The details with respect to projects/ activities carried out with respect to period commenced on or after 01.04.2020 containing allocated funds for the F.Y. 2023-24 and unspent (carryover) amounts from F.Y. 2020-21, 2021-22 & 2022-23 are furnished at **Appendix- 3**.

### 15. Official Language Policy (Use of Rajbhasha)

Your Company is effectively implementing the Official Language Policy of the Government of India in its official work. Dedicated efforts are made to achieve the targets fixed in the Annual Programme issued by Rajbhasha Vibhag, Ministry of Home Affairs, Government of India. The Company has an Official

Language Implementation Committee constituted under the Chairmanship of CMD. Hindi workshops are being organised regularly for the employees.

Your Company is a member of the Town Official Language Implementation Committee (TOLIC) (PSU), Ranchi and actively participates in all the programmes. During the year under review, your Company has organised following events.

- Your Company actively participate in all TOLIC events. A 'Smritigyan' competition at TOLIC level was organised by the Company on 19.12.2023.
- Hindi workshops are organized every quarter in a financial year. During F.Y. 2023-24, workshops were organised on 28.06.2023, 08.08.2023, 29.11.2023 and 21.02.2024.
- During the year under review, the Rajbhasha Vibhag inspected Hindi implementation work in 11 departments of the Head Office, Ranchi as well as in Bhilai, Bokaro, Delhi and Rourkela offices.
- Progressive use of Hindi was inspected by Deputy Director (Rajbhasha), Government of India, Ministry of Steel, on 06.06.2023 and 14.07.2023 in the Head Office and Bokaro office respectively.
- The third Sub-Committee of the Committee of Parliament on Official Language, Government of India inspected the progressive use of Hindi, in Bhilai office, Head office and Delhi Office on 24.05.2023, 13.07.2023 and 06.10.2023 respectively.

'Hindi Pakhwara' was observed in your Company at Head Office as well as in all the regional and project offices from 14.09.2023 to 29.09.2023. On this occasion, all employees took a pledge to increase use of Hindi in their day-to-day official work. During "Hindi Pakhwara", competitions of various natures like Hindi Essay writing, *Kavi Sammelan*, Extempore speech, Poetry recitation, written quiz competition in Hindi etc. were also organized at Head Office and other offices of the Company.

Similarly, *Hindi Diwas* and Hindi Fortnight were celebrated in Delhi and Bengaluru offices and our other project offices from 14.09.2023 to 29.09.2023.

## 16. Vigilance activities

The Chief Vigilance Officer (CVO), appointed by the Government on the advice of Central Vigilance Commission (CVC), is posted at MECO HQ Ranchi.

On completion of tenure of Shri Vineet Pandey, CVO (Addl. Charge), Shri Bharatula Vishwanath took the additional charge of the post of CVO, MECO Limited w.e.f. 17.10.2023. The CVO has been assisted by Chief General Manager (Vigilance) and Vigilance Department at Ranchi. Vigilance activities of Bokaro and Rourkela Offices are handled from Ranchi. Vigilance Officers (VOs) posted at your Company's offices at New Delhi and Bangalore are working full time in Vigilance Department. VOs at other Site Offices viz. Nagarnar, Mumbai, Vizag, Bhilai and Kolkata look after vigilance activities in addition to their normal official duties allotted to them. CVO of the Company provides a link between the organization and the Administrative Ministry, Central Vigilance Commission (CVC), and Central Bureau of Investigation (CBI) and also acts as a special assistant/advisor to CMD and reports directly to him in all matters pertaining to vigilance.

Efforts are on to continuously enhance transparency in various business activities with use of ERP and leveraging of technology. Emphasis is laid on preventive vigilance, spreading awareness, surveillance and analysis of systems and procedures in detail to ensure optimum utilization of resources, appropriate & timely decisions, corrective action against defaulters and transparency & accountability in the system. In this direction relevant circulars and guidelines from CVC and statutory authorities, as and when issued, are put in the in-house intranet 'meconinfo' for wider circulation among the employees. Vigilance articles are also published in the in-house publications whenever possible.

Complaints, as and when received, are investigated promptly by Vigilance Department after checking their veracity wherever needed. Sensitive sections/areas in the organization have been identified and thrust is laid on conducting surprise inspections, regular inspections, scrutiny of files and studies in these areas including CTE type inspection and suitable suggestions including job rotation are given for improvement in the system to eliminate discrepancies found, if any. A number of suggestions given by Vigilance Department for systemic improvement and streamlining various procedures have been implemented and the process is continuing.

Online Vigilance Clearance System for the purpose of vigilance clearance/status of employees in case of promotion, resignation, retirement etc. exists and Vigilance Department maintains a computerized database. Submission of Annual Property Returns is online in your Company and APRs for the year 2023 have been submitted by the employees and its database is maintained and is continuously scrutinized and monitored.



Integrity Pact (IP) is functional in your Company since 2007 under Independent External Monitors (IEMs) who are responsible for overseeing the process of procurement and transactions where Integrity Pacts (IP) are signed between Company and counterparties. The Company enters into Integrity Pact with vendors/suppliers/contractors for orders of Rs. 1.0 Crore & above for EPC Projects and for orders of Rs. 25.0 Lakhs & above for Town Administration and In-house Procurement. The draft IP forms part of tender documents, wherever applicable. Till March 2024, the Company has signed Integrity Pact (IP) with 387 suppliers / contractors.

During the F.Y. 2023-24, various training programs were organized on Preventive Vigilance and other matters. 'Vigilance Awareness Week-2023' was observed in your Company from 30<sup>th</sup> October to 5<sup>th</sup> November 2023 in which the employees participated with enthusiasm. At Head Office, Ranchi, the observance of Vigilance Awareness Week (VAW) commenced with Pledge Ceremony for all employees of the Company on 30<sup>th</sup> October 2023 and separately at other site/ Engineering offices. The theme for observing Vigilance Awareness Week 2023 was "Say no to corruption; commit to the Nation, भ्रष्टाचार का विरोध करें; राष्ट्र के प्रति समर्पित रहें".

Banners, posters, and standees propagating messages on Vigilance Awareness, Anti-corruption, Public Interest Disclosures & Protection of Informer (PIDPI) resolution, etc., were displayed at various prominent places. Activities like the e-Integrity Pledge, painting competition, slogan writing, talks including talks by external experts, presentations, essay writing, and quiz competition were organized. Online painting competition for the wards of employees and online slogan writing competition for the spouses of employees were also organized to sensitize employees and participants against corruption. Essay and slogan competitions were held in both Hindi and English. Many awareness activities were also undertaken at nearby schools and colleges, such as speech competition, integrity pledges, and drawing competition. Additionally, as an outreach awareness initiative, a presentation was given at the BSF Camp in Hazaribagh.

Complaint Handling Policy has been uploaded on the website with a provision of lodging complaint online which is accessible to common individuals. Contact Details of CVO and Senior Officials of Vigilance Department, Organizational Structure of Department, Vigilance Quality Policy of the Company, Resolution on PIDPI, Integrity Pact are available on the website

of your Company. Further, the Whistle Blower Policy, Fraud Prevention Policy and Right to Information Manual have been uploaded on the website [www.meconlimited.co.in](http://www.meconlimited.co.in).

Online Bill Watch System is already implemented and is combined with MECON's GST system, MecGST to enable display of status of payments of vendor's/supplier's bills/ invoices more effectively and also ensuring compliance with instructions from CVC on monitoring & timely release of payments to vendors/suppliers / contractors.

#### **Details of Vigilance cases pending/ disposed off during the F.Y. 2023-24:**

No. of cases pending as on 31.03.2023	08
No. of cases received during 2023-24	39
No. of cases disposed off during 2023-24	43
No. of cases pending as on 31.03.2024	04

During the period under consideration, cases investigated include procedural violation, submission of fake documents, policies of the company, irregularities in tendering & contract management and recruitment etc. received from different sources viz. PIDPI complaints (CVC), other complaints from CVC, complaints from vigilance units of other CPSEs / Private parties, Ministry of Steel and other sources etc.

## **17. Development and implementation of Risk Management**

The Risk Management framework in your Company runs with an objective of managing the potential risks and reducing the risk exposure in the long run by continual identification, assessment/ monitoring and management of risks associated with its overall business processes and operations.

Your Company's risk management framework encompasses all areas of operation including technical, marketing, contracts, financial and human resource.

Management is accountable to the Board for effective implementation of risk management strategies in all relevant areas of Company's operations. For this purpose, periodic reviews are being held both at the operational levels and at the Management level to identify and prepare action plans to address any new risk or harness new opportunities that have arisen or likely to emerge and also to prevent/ eliminate the instances of non-compliance of laws & regulations.

In addition to this, Company's quality policy encompasses risk assessment for all the sections/ departments which is being periodically reviewed and recorded for improvement. Your Company's risk management and control system provide a reasonable assurance towards the realization of strategic objectives of the organization.

During the year under review, risks emanating from global economics, trade with neighboring countries, regulatory/ policy related issues in India and regular fluctuation in steel prices have impacted the Company's business. However, efforts have been made to mitigate the same. Further, there has been an unprecedented fluctuation in the prices of steel, fuel and other commodities which are severely affecting execution of ongoing projects.

The Management is reviewing the project-wise situation on a regular basis to ensure smooth execution and negotiating with clients to find ways to reduce the impact of unprecedented price rise. In view of the ever-increasing complexities of business models & market dynamics and government regulations, your Company is always in the process of upgrading the Risk Management Framework.

## 18. Right to Information

The Right to Information Act, 2005 (The RTI Act) has been implemented in the Company with effect from the date of its notification by the Government of India. A Central Public Information Officer (CPIO) has been nominated by the management at the Headquarter and Assistant Public Information Officers (APIOs) have been nominated at Headquarter as well as at various Regional and Site offices of the Company. The queries addressed to the Company from the public are being attended to by these nominated officials and replied back to the applicant by the Public Information Officer within the stipulated time period. A First Appellate Authority (FAA) has also been nominated at the Headquarter to dispose off the first appeals filed under the RTI Act. A Transparency Officer has also been appointed in accordance with the requirement of RTI Act to ensure smooth and effective implementation of the provisions of the said Act.

As a measure to facilitate citizens in filing their RTI applications and first appeals online, your Company has adopted the <sup>2</sup>online RTI web portal launched by the Department of Personnel and Training (DoPT). Consequently, most of the RTI applications and RTI appeals are being filed on the said portal and are being replied through the online mode.

<sup>3</sup>*Suo moto* disclosure as per the requirement of Section 4(1)(b) of the RTI Act have been made available on the website of the Company. Name, designation and address of the CPIO, APIO (Head Office) and First Appellate Authority have been provided on the website of the Company along with the procedure to file the RTI application. Quarterly RTI returns are being submitted to the Central Information Commission (CIC) on their website. Further, the *suo moto* disclosures were audited by the Biju Patnaik Steel Institute (BPNSI) under Section 4(1)(b) of the RTI Act.

In order to enable CPIO and APIOs to effectively perform their duties under RTI Act, the management nominates for workshops and trainings. During the F.Y. 2023-24, the CPIO and APIO attended a workshop on RTI organized by National Academy of Human Resource Development (NAHRD).

**A summary of the RTI applications & appeals received in the FY 2023-24 is given herein below:**

Applications pending as on 01.04.2023	04
Applications received during 01.04.2023 to 31.03.2024	164
Applications disposed off during 01.04.2023 to 31.03.2024	161
Applications transferred to other Public Authority during 01.04.2023 to 31.03.2024	01
Applications pending as on 31.03.2024	07
Appeal pending as on 01.04.2023	01
Appeal received during 01.04.2023 to 31.03.2024	28
Appeal disposed off during 01.04.2023 to 31.03.2024	28
Appeal pending as on 31.03.2024	01
2 <sup>nd</sup> Appeal taken up at CIC level in FY 2023-24	NIL

## 19. Significant and material orders passed by the Regulators or Courts

During the year, your Company filed LPA No. 400/2022 before the Hon'ble High Court of Jharkhand for quashing the order passed by Micro and Small Enterprise Facilitation Council (MSEFC), Jharkhand in favour of M/s N.P. Construction, Bokaro, Jharkhand. However, the Hon'ble High Court refused to entertain the LPA.

2 <https://rtionline.gov.in>

3 [http://www.meconlimited.co.in/RTI\\_PROCEDURE.aspx](http://www.meconlimited.co.in/RTI_PROCEDURE.aspx)



Your Company filed SLP before Hon'ble Supreme Court against the refusal of Hon'ble High Court of Jharkhand wherein the Hon'ble Court vide Order dated 17.03.2023 passed an interim stay against the order of the MSEFC and restrained M/s N.P. Construction to enforce the order passed by MSEFC with a condition of deposit of Seven Crores Rupees by your Company.

## 20. Proceeding under the Insolvency and Bankruptcy Code, 2016

M/s N.P. Construction has initiated the Corporate Insolvency Proceedings against your Company at National Company Law Tribunal (NCLT), Kolkata pursuant to the order of the MSEFC, Jharkhand, Ranchi.

However, in view of the interim orders passed earlier by Hon'ble High Court of Jharkhand in LPA 400/2022 and subsequently by Hon'ble Supreme Court in SLP (Civil) 5048/2023 on 17.03.2023, the further proceedings has been adjourned awaiting final order of the Hon'ble Supreme Court of India.

## 21. <sup>4</sup>Changes in Directors & Key Managerial Personnel (KMP)

The following changes took place in the Board of Directors / KMPs of your Company since 01.04.2023.

### Appointments:

- ♦ Shri Amit Raj, Director (Technical) w.e.f. 31.08.2023.
- ♦ Shri Pradumn Kumar Dixit, Director (Projects) w.e.f. 05.09.2023.
- ♦ Shri Sanjay Kumar Verma, CMD w.e.f. 19.04.2024.

### Cessation

- ♦ Shri Arun Kumar Agrawal, Director (Technical) upto 31.05.2023.
- ♦ Shri Ajit Kumar Saxena, CMD (Addl. Charge) upto 19.04.2024.

The board placed on record its deep appreciation to valuable guidance & significant contribution made by outgoing Directors during their association with the Company.

## 22. Particulars of Employees & related disclosures

The provisions of Section 134(3)(e) of the Act are not applicable to a Government Company. Consequently, details on Company's policy on Directors' appointment and other matters prescribed under Section 178(3) of the Act are not provided.

Similarly, by virtue of Ministry of Corporate Affairs Notification dated 05.06.2015, Government Companies are exempted from complying with the requirement of Section 197 of the Act. Hence, the rules made thereunder i.e. Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also not applicable to Government Companies.

MECON being a Government Company, its directors are appointed / nominated by the Government of India as per the Government / DPE Guidelines, which also include fixation of pay criteria, determining of qualifications and other matters.

## 23. Declaration of Independence

During the F.Y. 2023-24, your Company did not have any Independent Director on its Board and accordingly the requirement of declaration of independence under Section 149(7) of the Companies Act, 2013, was not applicable.

## 24. Management Discussion & Analysis Report

The Management Discussion & Analysis Report (MDAR) covering the performance and outlook of your Company is enclosed vide **Appendix- 4**.

MDAR is a forward-looking statement and is based on certain assumptions and expectation of future events. The Directors cannot guarantee that these assumptions are accurate or these expectations will materialize.

## 25. Compliances of the recommendation made by the COPLOT (Rajya Sabha) in its 150<sup>th</sup> Report

There are no pending paras upon the Company which are required to be mentioned as per the recommendation of the COPLOT (Rajya Sabha) in its 150<sup>th</sup> Report.

## 26. Corporate Governance

The Report on Corporate Governance as required under the Guidelines on Corporate Governance issued by the Department of Public Enterprises is annexed as **Appendix- 5**.

## 27. Annual Return

Pursuant to Section 134 and Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the annual return as on 31.03.2024 is available on the website of the Company at the link [http://meconlimited.co.in/Annual\\_Return.aspx](http://meconlimited.co.in/Annual_Return.aspx)

## 28. Statutory Auditors

The Statutory Auditors of your Company is appointed by the C&AG of India under the provisions of Section 139(5) of the Act. M/s. K. Pandeya & Co., Chartered Accountants, Ranchi was appointed as the Statutory Auditors for the F.Y. 2023-24. They shall hold office till conclusion of the ensuing Annual General Meeting of the Company.

## 29. Auditors' Report on Financial Statement

The Statutory Auditors' Report on the Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 is placed at **Appendix- 6** to this Report.

The comments of C&AG of India on the Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 under Section 143(6)(b) of the Act and the Management's replies thereon are placed at **Appendix- 7** to this Report.

## 30. Director's Responsibility Statement (DRS)

Pursuant to the requirement under Section 134 (5) of the Act, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended 31.03.2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts for the financial year 2023-24, on a going concern basis; and
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

## 31. Awards & Recognitions

- ♦ On 11.03.2024, your Company received 'Quality Innovation Award' during 3rd National Quality Convention 2024 hosted by The Institution of Engineers (India)- Safety and Quality Forum.
- ♦ Your Company has received six patent rights in India in various fields like Coke Oven Battery, Blast Furnace and Basic Oxygen Furnace.
- ♦ The article "Measures to increase the efficiency of blast furnace and reduce pollution" published in MECON's "Abhyantra Bandhu - 2022" received the 'First Best Article Award'.
- ♦ MECON received "IEI Industry Excellence Award" on 27.12.2023 at 38<sup>th</sup> Indian Congress, Jabalpur.
- ♦ Your Company was awarded the second prize for excellent performance in Official Language Implementation by NARAKAS (Undertaking), Ranchi working in collaboration with CMPDI, Ranchi for the F.Y. 2022-23.
- ♦ Shri Sanjay Kumar, CGM, MECON received 'Eminent Material Handling Engineer Award' for the year 2023-24 from The Institution of Engineers (India), Jharkhand State Centre during BMH 2024 for his significant contribution in the field of Engineering & Technology.
- ♦ Shri R.S. Raman, CGM, MECON received "Eminent Engineer Award for Rendering Structural Engineering of Material Handling System" by The Institution of Engineers (India), JSC, Ranchi on 27.04.2024 during BMH - 2024.



## 32. Acknowledgements

The Board of Directors gratefully acknowledge the valuable guidance and support extended by the Government of India, specially Ministry of Steel, other Ministries, State Governments and various statutory and local authorities.

Your Directors acknowledges the constructive suggestions received from the Comptroller and Auditor General of India and Statutory Auditors, and are grateful for their continued support and cooperation.

The employees of the Company have continued to display their total commitment towards the pursuit of excellence. Your Directors take this opportunity to place on record their appreciation for the valuable contribution made by the employees and look forward to their services with zeal and dedication in the years ahead to enable the Company to scale even greater heights.

The board also extends its heartfelt thanks to all its Stakeholders, including Member, Investors, Customers, Vendors, Bankers & Consultants for their continued support & unwavering confidence reposed in the Company.

Your Directors and employees look forward to the future with confidence and stand committed towards creating a mutually rewarding future for all stakeholders.

For and on behalf of the Board of Directors

Sd/-

Sanjay Kumar Verma  
Chairman and Managing Director  
DIN: 08600373

Place: Ranchi

Date: 18.09.2024

## APPENDIX-1

## Form AOC- 2: Disclosure of Contracts/ Arrangements with Related Parties

(Pursuant to Clause (h) of sub section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements or transactions including the value.	Justifications for entering into such contracts or arrangements or transactions	Date(s) of approval of the Board	Amount paid as advance	Date on which the special resolution was passed in the general meeting
NIL								

2. Details of materials contacts or arrangements or transactions at arm's length basis

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Durations of contracts/ arrangements/ transactions	Salient terms of contracts or arrangements including the value	Date(s) of approval of the Board	Amount paid as advance
NIL						

For and on behalf of the Board of Directors

Sd/-

Sanjay Kumar Verma  
Chairman and Managing Director  
DIN: 08600373



# Board's Report on Corporate Social Responsibility (CSR)

(For the F.Y. commenced prior to 01.04.2020)

## Brief Outline of CSR Policy

The objective of CSR policy of MECON is to lay down guidelines for proper functioning of CSR activities to attain sustainable development of society. The CSR policy of your Company is in compliance with the requirement of the Companies Act, 2013, Schedule VII to the said Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Department of Public Enterprises (DPE) guidelines.

The CSR policy includes the background of CSR activities of MECON, Areas of Operation, CSR Projects/ Activities, Methodology for selection & execution of CSR projects / activities including planning, implementation, monitoring; allocation & management of funds, reporting etc. The CSR Policy and projects or programs is available on the website of the Company on the link <http://www.meconlimited.co.in/csr.aspx>

## The Composition of CSR Committee

The CSR Committee comprised of following members as on 31.03.2024.

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	Remarks
1	Dr. Sanjay Roy	Chairperson - Govt. Director	03	03	NIL
2	Shri Sanjay Kumar Verma	Member-Director (Commercial)		03	
3	Shri Mukesh Kumar	Member-Director (Finance)		03	

## Average Net Profit for the Company for last three F.Y.s

Not applicable in case of the Board's Report prior to 01.04.2020.

## Prescribed CSR Expenditure

2% of the average net profit of the Company for the last three Financial Years	Not applicable
Unspent (Carry-over) Fund	Rs. 116.37 Lakh

## Details and manner of CSR funds spent

Total Unspent (Carry-over) amount available for FY 2023-24	Rs.116.37 Lakh
Total amount spent on CSR activities during the F.Y. 2023-24 from the above Unspent (Carry-over) Fund	Rs. 12.98 Lakh
Amount unspent {to be carried to next financial year (i.e. FY 2024-25)}	Rs.103.39 Lakh

The project wise spending of CSR funds during the F.Y. 2023-24 are detailed in **Annexure- 1**.

### Reasons for not spending the amount:

The projects listed below could not be completed in the FY 2023-24 due to the following reasons.

- i. **Construction of Toilet Blocks / Repair of dis-functional Toilets in MHRD schools in Jharkhand (under Swachh Vidyalaya Abhiyan):**  
The project is completed. However, provisioned amount is yet to be processed as Performance Certificate is awaited from Contractor.
- ii. **Solar powered Drinking water system in Adopted Village-Rai, Block-Khunti, District- Khunti [Work order placed in FY 2019-20]:**  
The project is completed. However, Liquidity Damages (LD) has been withheld. Final Bill is awaited from the Contractor.
- iii. **Renovation of Roof & False Ceiling alongwith Illumination facilities etc. of Dinning Hall-cum-Candle Making Section of Cheshire Homes India, Ranchi (A Home for Physically challenged Persons - Divyangs) [Project of FY 2019-20]:**  
The project is completed. Final Bill is awaited from the Contractor.
- iv. **Renovation of Printing Section Building of Cheshire Homes India, Ranchi (A Home for Physically challenged Persons - Divyangs) [Project of FY 2019-20]:**  
The project is completed. Final Bill is awaited from the Contractor.
- v. **Construction of Boys Hostel Building in Orphanage at Village- Sungi, Khunti [Project of FY 2018-19]:**  
The project is completed. However, supporting documents for processing of the Bill is awaited from the Contractor.
- vi. **Construction of Community Centre in U.P. [Project of FY 2013-14]:**  
Submission of Bill (7<sup>th</sup> RA) is awaited from M/s HSCL.
- vii. **Construction of Toilet Block in Village School of Adopted Village-Pancha[Project of FY 2012-13]**
- viii. **Construction of Toilet Complex in Adopted Village-Pancha [Project of FY 2012-13].**
- ix. **Construction of Toilet Block for Girls in Orphanage of Adopted Village-Sungi [Project of FY 2013-14].**
- x. **Construction of Toilet Block for Boys in Orphanage of Adopted Village-Sungi [Project of FY 2014-15]**  
All the projects mentioned above at Sl. No. vii, viii, ix & x have been completed and handed over to the beneficiaries. The final bills of the same have been processed and payment released during FY 2019-20. but the LD (Liquidated Damages) amount has been withheld. However, approval for release of payment with respect to amount held for LD has been obtained for job at Sl. No. ix.
- xi. **Construction of Toilet Complex in Adopted Village-Parsa Toli, Pancha [Project of FY 2012-13]:**  
All Work (except Solar System) is complete. 9<sup>th</sup> RA Bill is awaited from Contractor.
- xii. **Construction of Toilet Complex in adopted Village - Bar Toli, Pancha, Block-Bundu, Dist-Ranchi [Work order placed in FY 2019-20]:**  
In spite of various reminders, the contractor neither submitted the requisite documents with respect to ESI & PF nor undertook the balance work. Hence, the Contract was terminated vide letter no. 11.74.Toilet/Bartoli/CSR/081/024 dated 09.02.2024.

It is also affirmed that all the applicable clauses of Rules / Guidelines issued by MCA & DPE are being complied with.

Sd/-  
Shri Mukesh Kumar  
Director (Finance) &  
Member- CSR Committee  
DIN: 08778135

Sd/-  
Dr. Sanjay Roy  
Government Director &  
Chairman- CSR Committee  
DIN: 10045280



## Manner (Details of the Project) in which the amount spent during the F.Y. 2023-24

(For the projects prior to 01.04.2020 from the Unspent (Carry-over) Fund of Rs. 116.37 Lakhs available in FY 2023-24)

(As on: 31.03.2024)

(Amount in Rs.)

1	2	3	4	5	6	7	8	
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	Status of the Project
<b>I.</b>	<b>Sanitation (Swachh Vidyalaya - Swachh Bharat Abhiyan in MHRD Schools)</b>							
i)	Construction of Toilets in MHRD Schools of Jharkhand (under Swachh Vidyalaya Abhiyan) [Project Cost : (Toilets) : Rs. 57,33,000/-] (Carry-over project of FY 2015-16)	Infrastructure Development Programme - Sanitation	10 nos. in Ranchi & Deoghar districts of Jharkhand	96,620	--	1,80,040 (in FY 14-15)+ 46,22,850 (in FY 15-16)+ 8,33,490 (in FY 16-17) = 56,36,380	Direct	Work complete May, 2015. a) Physical progress – 100% b) Financial progress – 98.31% c) Performance Certificate awaited from Contractor.
ii)	Annual Maintenance of 22 nos. Bio-Toilets/ installed in MHRD Schools of Hazaribagh & Lohardaga districts of Jharkhand - Purchase of Bio-Media Kit (Under Swachh Vidyalaya Abhiyan) (Project Cost Rs. 74,000/-) (Carry-over Project of FY 2019-20)	Sanitation	MHRD Schools of Hazaribagh & Lohardaga districts of Jharkhand	11,286	--	--	Direct	1. Work complete in Oct, 2020, a) Physical Progress – 100% b) Financial Progress – 100% 2. Rs. 11,286/- has been provisioned for payment of GST.
			<b>Sub-Total (1)</b>	<b>1,07,906</b>	--	<b>56,36,380</b>		

1	2	3	4	5	6	7	8	Status of the Project
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	
2.	<b>Drinking Water</b>							
i)	Construction of Solar based Drinking Water System in Adopted Village (Project Cost : Rs. 7,06,845/-) (Approved project of FY 2018-19)	Drinking Water	Village - Aamjharria, Sungi, Block - Karra, District - Khunti, State - Jharkhand	7,06,845	3,02,409	3,02,409	Direct	1. Boring work was carried out in February' 2020, however it failed due to non-availability of underground water at the proposed location. Thus, Project closed. 2. Payment released for expenditure of Boring work. 3. Rs. 54,434/- has been provisioned for payment of GST. 4. Balance amount of Rs. 3,50,002/- shall be transferred to PM CARES Fund.
ii)	Construction of Solar based Drinking Water System in Adopted Village (Project Cost: Rs. 7,06,845/-) (Approved project of FY 2018-19)	Drinking Water	Village - Rai, Panchayat - Fudi, District - Khunti, State - Jharkhand	3,24,795	--	1,36,595 (in FY 21-22)+ 2,45,455 (in FY 22-23) =3,82,050	Direct	1. Work Complete Mar, 2022 2. Final Bill awaited from the Contractor. 3. LD amount withheld.

1	2	3	4	5	6	7	8	Status of the Project
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	
iii)	Construction of Solar based Drinking Water System in Adopted Village (Project Cost : Rs. 5,17,190/-) (Approved project of FY 2019-20)	Drinking Water	Village – Rupru, Block – Angara, District - Ranchi, State - Jharkhand	5,17,190	2,31,469	2,31,469	Direct	<ol style="list-style-type: none"> <li>1. Boring work was carried out in January' 2021, however it failed due to non-availability of underground water at the proposed location. Project closed.</li> <li>2. Payment released for expenditure of Boring work.</li> <li>3. Rs. 20,601/- has been provisioned for payment of GST.</li> <li>4. Balance amount of Rs. 2,65,120/- shall be transferred to PM CARES Fund.</li> </ol>
			<b>Sub-Total (2)</b>	<b>15,48,830</b>	<b>5,33,878</b>	<b>9,15,928</b>		

1	2	3	4	5	6	7	8	
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	Status of the Project
<b>3.</b>	<b>Education</b>							
i)	Free Literacy programme for the under privileged children at 7 Community Education Centres in proper & near Ranchi & in Khunti district of Jharkhand	Education	Vill.-Pokhar Toli, Irgoo Toli (2 nos.), Argora, Ravidas Mohalla, Bharam Toli in proper & near Ranchi & Vill. - Rai of Khunti district of Jharkhand	3,889	--	--	Direct	Rs. 3,889/- has been provisioned for payment of GST.
	• Study Materials, Stationery, etc. (for FY 2020-21) (Project Cost Rs. 40,000/-)			--	--	--		
			<b>Sub-Total (3)</b>	<b>3,889</b>	--	--		
<b>4.</b>	<b>Skill Development &amp; Livelihood</b>							
i)	Cloth, Stitching Materials, etc. (FY 2020-21) for Training of Students of 6 nos. Stitching Training Centres (Project Cost Rs. 45,000/-)	Women Empowerment Scheme (Employment/Livelihood Enhancing Vocational Skills)	Students of Stitching Training Centre at Mani Tola, Doranda Mistri Mohalla, Hinoo, Argora, Kishoreganj, Jagannathpur in proper & near Ranchi, & Vill - Sungi of Khunti district of Jharkhand.	4,288	--	--	Direct	Rs. 4,288/- has been provisioned for payment of GST.

1	2	3	4	5	6	7	8	
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	Status of the Project
ii)	Providing New Stitching Machines (Project of FY 2020-21)			1,05,000	--	--	Direct	Re-approval for procurement has been obtained.
			<b>Sub-Total (4)</b>	<b>1,09,288</b>	--	--		
<b>5.</b>	<b>Projects for Differently Aabled/ Divyangs</b>							
i)	Renovation of Roof and False Ceiling alongwith Illumination facilities of Dining Hall-cum-Candle Making Section of Cheshire Homes India, Ranchi (A Home for Physically challenged Persons – Divyangs) (Approved Project of FY 2019-20)	Project for Divyang	Cheshire Homes India, Bariatu, Ranchi	13,81,450	7,64,146	14,33,844 (in FY 22-23)+ 7,64,146 (in FY 23-24) =21,97,990	Direct	Work complete in Sept., 2022.
ii)	Renovation of Printing Section Building of Cheshire Homes India, Ranchi (A Home for Physically challenged Persons – Divyangs) (Approved Project of FY 2019-20) (Total Project Cost [(i&ii) = Rs. 28,15,294/-])							
			<b>Sub-Total (5)</b>	<b>13,81,450</b>	<b>7,64,146</b>	<b>21,97,990</b>		

1	2	3	4	5	6	7	8	Status of the Project
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	
<b>6.</b>	<b>Social Welfare</b>							
i)	Construction of Boys Hostel in Orphanage "Anmol Basera" (Project cost: Rs. 34,96,160/-) (Approved Project of FY 2015-16)	Infrastructure Development Programme	Village – Sungi, Block – Karra, District – Khunti, State – Jharkhand	7,34,732	--	10,14,860 (in FY 19-20)+ 7,25,500 (in FY 20-21)+ 10,21,068 (in FY 21-22) = 27,61,428	Direct	1. Work complete in Mar, 2021. 2. Supporting documents for processing of Bill is awaited from the Contractor.
ii)	Construction of Borewell at Old Age Home (Project cost: Rs. 3,05,660/-) (Approved Project of FY 2017-18)	Drinking Water	Adarsh Home (Old Age Home), Vill – Kulgu, Block – Nagri, Dist-Ranchi (Jharkhand)	44,276	--	2,61,724 (in FY 22-23)	Direct	1. Work complete in Nov, 2020. 2. LD amount withheld.
iii)	Construction of Community Centre (Project cost: Rs. 40,55,205) (Carry-over project of FY 2013-14)	Infrastructure Development Programme	Akbarpur, Dist.- Kanpur Dehat, State – U.P.	19,21,839	--	6,11,370 (FY 13-14) 57,450 (FY 15-16)+ 6,62,930 (in FY 16-17)+ 22,860 (in FY 17-18)+ 7,78,161 (in FY 22-23) = 21,32,771	Direct	1. Physical progress – 85% 2. Financial Progress – 52.59% 3. Payment released up to 6th RA Bill. 4. 7th RA Bill awaited 5. Balance work Finishing of Windows, Electrical, Painting, Filling & Compaction of outer area, CI cover of Manhole, Boundary Wall, Gate, etc.
			<b>Sub-Total (6)</b>	<b>27,00,847</b>	--	<b>51,55,923</b>		

1	2	3	4	5	6	7	8	Status of the Project
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency		
<b>7.</b>	<b>Rural Development</b>							
i)	Construction of Toilet complexes (14-Seater) (Project Cost Rs. 42,06,715/-) (Project of FY 2012-13)	Infrastructure Development Programme - Sanitation	Village Residential School (Prananand Vidiya Mandir), Pancha, Vill-Pancha, Block-Bundu, Dist-Ranchi (Jharkhand)	--	--	Direct	1. Work complete in July, 2015. 2. LD amount withheld.	
ii)	Construction of Toilet complexes (10-seater toilet) (Project Cost Rs. 59,14,000/-) (Project of FY 2012-13)	Infrastructure Development Programme - Sanitation	Village - Pancha Block-Bundu, Dist-Ranchi (Jharkhand)	--	--	Direct	1. Work complete in Oct., 2015. 2. LD amount withheld.	
iii)	Construction of 1 no. Toilet complex (5-seater toilet) for Girls at Orphanage Hostel (Anmol Basera) (Project Cost Rs. 35,37,405/-) (Project of FY 2013-14)	Infrastructure Development Programme - Sanitation	Village - Sungi, Block - Karra, Dist - Khunti, State - Jharkhand	--	--	Direct	1. Work complete in Sept., 2014. 2. LD amount withheld. 3. Contractor has submitted the documents related to its claim on LD. 4. Approval for release of payment with respect to amount held for LD have been obtained.	
iv)	Construction of 1 no. Toilet Complex (5-seater toilet) for Boys at Orphanage Hostel (Anmol Basera) (Project Cost Rs. 35,57,005/-) (Project of FY 2014-15)	Infrastructure Development Programme - Sanitation	Village - Sungi, Block - Karra Dist - Khunti, State - Jharkhand	--	--	Direct	1. Work complete in Sept., 2016. 2. LD amount withheld.	

1	2	3	4	5	6	7	8	
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	Status of the Project
v)	Construction of Toilet Complex in Adopted Village (Project cost: Rs. 59,13,783/-) (Carry-over projects of FY 2012-13)	Infrastructure Development Programme - Sanitation	Village- Parsa Toli, Pancha, Block- Bundu, Dist.- Ranchi	23,54,848	--	5,33,985 (in FY 12-13)+ 13,22,260 (in FY 13-14)+ 3,31,480 (in FY 15-16)+ 4,25,390 (in FY 16-17)+ 1,63,285 (in FY 19-20)+ 3,06,320 (in FY 20-21)+ 4,76,215 (in FY 21-22)+ 2,50,406 (in FY 22-23) = 38,09,341	Direct	1. Physical progress – 88% 2. Financial progress – 64.41% 3. Balance work: Solar PV System, 4. 9th RA Bill awaited from Contractor.

1	2	3	4	5	6	7	8	Status of the Project
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes for FY 2023-24 Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	
vi)	Construction of Toilet Complex (8-Seater toilet) (Project cost: Rs. 20,66,830/-) (Approved Project of FY 2018-19)	Sanitation	Village – Bar Toli, Pancha, Block – Bundu, Taimara, District - Ranchi	20,66,830	--	--	Direct	<ol style="list-style-type: none"> <li>1. Work done upto Roof level.</li> <li>2. Physical progress – 20%</li> <li>3. Financial progress– NIL</li> <li>4. 1st RA was Bill was submitted by Contractor, but inspite of various reminders, the contractor neither submitted the requisite documents with respect to ESI &amp; PF nor undertook the balance work. Hence, the Contract was terminated vide MECON's letter no.11.74.Toilet/Bartoli/CSR/081/024 dated 09.02.2024.</li> <li>5. Balance work: Plastering, Flooring, Plumbing, Borewell, Doors, Windows, Sanitary, Electrics, Finishing, Solar PV System, etc.</li> <li>6. Completion of balance work shall be taken up separately after reassessment.</li> </ol>
			<b>Sub-Total (7)</b>	<b>59,73,678</b>	--	<b>38,09,341</b>		
			<b>Grand Total</b>	<b>1,18,25,888</b>	<b>12,98,024</b>			

# Board's Report on Corporate Social Responsibility (CSR)

(For the period commenced on or after 01.04.2020)

## Brief Outline of CSR Policy

The same is highlighted in Appendix- 2 to the Board Report.

## Composition of the CSR Committee

The same is highlighted in Appendix- 2 to the Board Report.

## Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on thw website of the Company

The details of the CSR Committee, CSR Policy & Projects approved by the Board are available on the website of the Company on <http://www.meconlimited.co.in/csr.aspx>

## Executive summary along with web-link of Impact assessment of CSR projects

The requirement of carrying out impact assessment of CSR projects undertaken by the Company as per the requirement of Section 135 of the Companies Act, 2013 read with applicable Companies (CSR Policy) Rules, 2014 is not applicable to your Company.

## Total CSR obligation for the F.Y. 2023-24

(a)	Average net profit of the company as per sub-section (5) of section 135	Rs. 2,419.99 Lakh
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	Rs. 48.40 Lakh
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. (Interest earned for the FY 2021-22 & FY 2022-23 on "Flexi Deposit Account" of Unspent CSR Balance for FY 2020-21)	Rs. 7.40 Lakh
(d)	Amount required to be set-off for the financial year, if any.	-
(e)	Total CSR obligation for the financial year [(b)+(c)+(d)]	Rs. 55.80 Lakh

## Total amount spent on CSR for the F.Y. 2023-24

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs. 23.22 Lakh
(b)	Amount spent in Administrative Overheads	-
(c)	Amount spent on Impact Assessment, if applicable	-
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	Rs. 23.22 Lakh

## CSR amount spent or unspent for the Financial Year

Total amount spent for the Financial Year	Amount Unspent				
	Total amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 23,21,891.00/- (Rs. 23.22 lakhs)	Rs. 25,78,698.00/- (Rs. 25.79 lakhs)	-	PM CARES Fund	Rs. 6,79,411/-	23.08.2024



### Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	48.40 lakhs
(ii)	Total amount spent for the Financial Year	23.22 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NA

### Details of Unspent CSR amount for the preceding three Financial Years

Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1.	2022-23	---	---	---	---	---	--	
2.	2021-22	17,29,530/-	10,67,153/-	8,83,375/-	---	---	1,83,778/-	
3.	2020-21	84,28,017/-	8,95,264/-	---	8,95,264/-	30.04.2024	---	

Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: Yes

If yes, enter the number of capital assets created/ acquired.

Total of five (05) capital assets have been created/ acquired.

Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
01	Maruti EECO BS-VI (Registration No. JH-01-FL-5485) Adarsh Home (Old Age Home) Village - Kulgu, Block - Nagri, Ranchi	835303	31.01.2024	Rs.6,42,961/-	---	Adarsh Home (Old Age Home)	Vihar Samaj Kalyan Sansthan, Hawaii Nagar, Road No. 8, PO - Hatia, Ranchi-834003

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
02	43" LED Smart TV (Samsung) (Model No. QA43Q6OC) KOSHISH, H-70, Argora Housing Colony, Argora, Ranchi	834002	18.03.2024	Rs. 52,500/-	---	KOSHISH	Jharkhand Parents Association, H.O-501, Aranyadev Apartment, A.G. Colony Kadru, Ranchi-834002
03	Water Filter (Capacity: 50 lph RO + UV) KOSHISH, H-70, Argora Housing Colony, Argora, Ranchi	834002	21.02.2024	Rs. 34,500/-	---	KOSHISH	Jharkhand Parents Association, H.O-501, Aranyadev Apartment, A.G. Colony Kadru, Ranchi-834002
04	Powermax V-Belt Drive System Spin Bike (Model : BS-151 GROUP BIKE) KOSHISH, H-70, Argora Housing Colony, Argora, Ranchi	834002	05.01.2024	Rs. 17,596/-	---	KOSHISH	Jharkhand Parents Association, H.O-501, Aranyadev Apartment, A.G. Colony Kadru, Ranchi-834002
05	Public Address System (Make : Ahuja) Shri Doranda Balika Uchch Vidyalaya, Doranda, Ranchi	834002	22.01.2024	Rs. 55,950/-	---	Shree Doranda Balika Uchch Vidyalaya	Shri Doranda Balika Uchch Vidyalaya, Doranda, Ranchi-834002

(All the fields should be captured as appearing in the revenue record, flat no., house no., Municipal Office/ Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)



**Specify the reason(s), if the Company has failed to spent 2% of the average net profit as per sub-section (5) of section 135.**

The reasons for not spending 2% of the average net profit of the Company is as follows.

- **Nutrition Project for Children of Aspiration districts Ranchi & Khunti of Jharkhand :**  
Nutrition Project has been carried out and the balance unspent amount transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Providing Digital Ante Natal Kit to Anganwadi Centres of Ranchi district (Jharkhand) :**  
Order for the Digital Ante Natal Kits (Digital Haemoglobinometer, Digital BP Monitor, Digital Weighing Machine for Infant, Digital Weighing Machine for Adult and Fetal Doppler) have been placed by the office of Civil Surgeon cum CMO office, Ranchi vide their letters dated 16.03.2024 & 23.03.2024. Payment will be released by MECON on receipt of bills from The Office of Civil Surgeon, Ranchi from the ‘Unspent CSR Account for the F.Y. 2023-24’.
- **Infrastructure Development/ Repair of facilities of Home of Divyangs, Bariatu, Ranchi, Jharkhand**  
Tender was floated for carrying out the said project but the same could not materialized in the same Financial Year. Accordingly, the unspent amount was transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Multi-purpose Vehicle for Old Age Home in and around Ranchi, Jharkhand :**  
Project completed. However, unspent funds was transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Running of Literacy Centres in Aspirational district (Ranchi) of Jharkhand :**  
Some procurements could not materialized and accordingly, the related unspent amount transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Infrastructure / Facility Development, Support to nearby School(s) of Ranchi (Jharkhand):**  
Project complete. Balance amount transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Running of Stitching Centres in Aspirational districts (Ranchi & Khunti) of Jharkhand :**  
Some procurements could not materialized and accordingly, the related unspent amount transferred to “PM Cares Fund” as per second proviso to sub-section (5) of section 135 of Companies Act.
- **Construction of Irrigation System at Village - Hochar, Block - Kanke, District - Ranchi (Jharkhand)**  
Tender was floated for carrying out the said project and the work order was placed on the contractor on 30.03.2024. Accordingly, the unspent amount was transferred to “Unspent CSR Account for the F.Y. 2023-24’ as per sub-section (6) of section 135 of Companies Act.

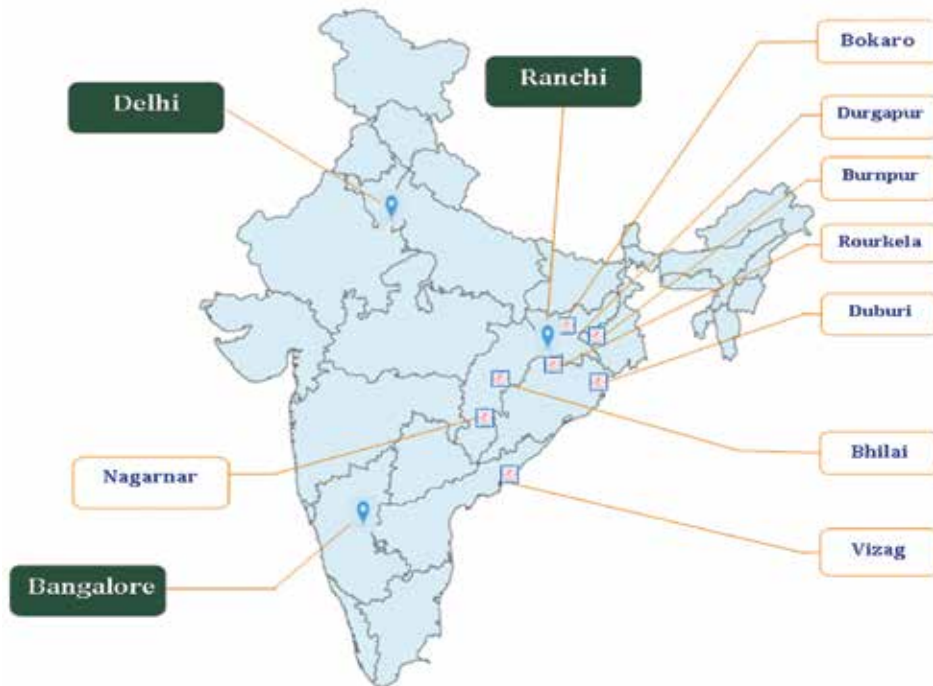
Sd/-  
Shri Mukesh Kumar  
Director (Finance) &  
Member- CSR Committee  
DIN: 08778135

Sd/-  
Dr. Sanjay Roy  
Government Director &  
Chairman- CSR Committee  
DIN: 10045280

# Management Discussion & Analysis Report

## Introduction

Your Company, amidst numerous challenges, has maintained its position as India's leading engineering & consultancy organization and has continued to tread on the path of sustainable growth and profitability while scaling up its operations across all business verticals through its pan- India presence with three Engineering Offices including the Headquarter at Ranchi and over 60 project-cum-site offices. The current operational site offices and the three Engineering offices of your Company are located below.



The Company has taken initiatives to align with the industry by strengthening its current offerings and targeting new services with strategic partners to meet challenges emerging from changed business scenario. The recent foray into newer area of O&M service of Integrated Steel Plant stands testimony to Management conviction. It is proactively driving the “Atmanirbhar Bharat” campaign in Iron & Steel sector and has been successfully executing projects aligned with National priorities like Make in India, Skill India, UDAY, IPDS, DDUGJY, Urja Ganga, Digital India, Ayushman Bharat etc. Your Company is also pursuing to widen its global outreach through geographical diversification in international market. The Company has developed strategies in the areas of technology & services, business strategy, project execution & human capital required for envisioned growth of the company.

## SWOT Analysis

### Strength

- ◆ Multi-disciplinary experienced and capable pool of engineers, scientists and technologists in various specialized technical disciplines.
- ◆ Vast knowledge repository and reference materials, being a legacy design, engineering, and consultancy organization.
- ◆ Core competency in providing end-to-end solutions in the area of metals, and mining with established market recognition.
- ◆ Capability in equipment, and system design, and supply & execution in ferrous sector.
- ◆ Prominent presence in gas pipelines project of GAIL (Long Distance Pipe Line and City Gas Distribution etc.)
- ◆ Diversification from core-engineering consultancy and project management services to new business domains like operation & maintenance (O&M) services, mining exploration, deposit basis assignments in strategic and iconic infrastructure projects.



- ◆ In-house Environmental Engineering Laboratory. NABET/ QCI Accreditation for 16 sectors.
- ◆ Relatively low average age of employee due to induction of young professionals.
- ◆ Good credentials with financial institutions and regulatory authorities.
- ◆ Wide network of offices at various locations across the country.
- ◆ MoU with global technology providers to provide end to end solution covering the entire value chain of steel sector.

### Weakness

- ◆ High incidence of employee benefit expense as compared to some of the competitors, especially in the private sector.
- ◆ Depletion of critical knowledge, skills in certain areas on account of natural attrition of experienced manpower.
- ◆ Skewed organization structure (still under transition).
- ◆ Inadequate experienced manpower for execution activities at project sites.
- ◆ Consolidation of strength in diversified sectors may take some more time.
- ◆ Very limited presence in the overseas market.
- ◆ Public sector limitation in operation.

### Opportunity

- ◆ Indigenous opportunities through Atmanirvar Bharat Abhiyan of GoI anticipated future investments in mining, beneficiation, agglomeration & pelletisation, slurry transportation, coal washeries and coal gasification
- ◆ Anticipated future investments in mining, beneficiation, agglomeration / pelletisation, slurry transportation, coal washeries and coal gasification.
- ◆ Possible future investment in steel sector in view of the National Mission of 300 Mt crude steel capacity by 2030-31.
- ◆ Opportunity to enter into the area of use of Green Hydrogen in steel sector as MECON has been nominated as Scheme Implementing Agency (SIA) by the Ministry of Steel (MoS) for setting up pilot project on use of Green Hydrogen in steel sector.
- ◆ Large scale investments in other diversified sectors viz. oil & gas, infrastructure and strategic sectors, power transmission & distribution and renewable energy sector.
- ◆ Leveraging past experience in defence sector to harness new opportunities emanating with the opening of defence production sector for participation of private sector (FDI raised to 74% from earlier 49%), defence offset policy and through indigenisation in defence sector.
- ◆ Expansion in ports, power and mining sector are expected to offer associated material handling projects and the Company expects to generate business from this sector, both on its own credentials and also through joint participation with other companies.
- ◆ Opportunities from Govt. flagship schemes such as, Deen Dayal Upadhaya Gram Jyoti Yojna (DDUGJY), Integrated Power Distribution System (IPDS), Jal Jeevan Mission, Bharat Net, Digital India, Production Link Incentive (PLI) scheme for specialty steel etc.

### Threats

- ◆ Mushrooming of consultancy companies operating at low margins.
- ◆ Presence of Indian set-up of all major MNCs like SMS, Siemens, Danieli, Kobe Steel, etc. providing comprehensive services including engineering. Private sector, in particular, opting for engineered packages from the turnkey suppliers, with limited engagement of external consultants.
- ◆ Stringent technical pre-qualification criteria for consultancy as well as supply jobs.
- ◆ Uneven playing ground for public and private sectors.
- ◆ Today's consortium partners emerge as future competitors.
- ◆ Risk and uncertainty in foreign strategic tie-ups.
- ◆ Delays in statutory clearances, land acquisition, and R&R issues.

## Business Outlook

### <sup>1</sup>Global Economic scenario

The global economy is poised for a period of stabilization and modest growth in the coming years, offering cautious optimism amidst ongoing challenges. Projections indicate that global growth will hold steady at approximately 2.6% in 2024, marking a significant milestone after three years of volatility. While this pace is expected to edge up slightly to 2.7% in 2025-26, it remains below historical averages, underscoring the need for continued policy efforts to bolster long-term economic resilience.

Inflation, while moderating, is anticipated to average 3.5% in 2024, reflecting persistent price pressures that will likely prompt central banks to maintain a relatively restrictive monetary stance. The average benchmark policy interest rates are expected to remain roughly double the levels seen from 2000 to 2019, indicating a continued focus on price stability. Despite these near-term improvements, the overall economic outlook remains subdued compared to historical norms. Global growth is projected to underperform its 2010-19 average by nearly half a percentage point, with a significant proportion of economies and populations affected.

Emerging market and developing economies (EMDEs) are forecast to see growth moderate to 4% in 2024 and 2025, with vulnerable economies facing particularly challenging circumstances. Risks to the global economy remain tilted towards the downside, with escalating geopolitical tensions, trade policy uncertainty, and the potential for delays in monetary easing posing significant threats. However, there are also opportunities for upside surprises, such as faster-than-expected inflation moderation, which could enable central banks to ease policies sooner and stimulate growth.

Regionally, growth patterns are expected to be mixed, with most EMDE regions experiencing softening in 2024. However, the Middle East and North Africa, along with Sub-Saharan Africa, are projected to see growth, albeit at less robust rates than previously forecasted. Public investment remains a powerful tool for igniting growth in EMDEs, with the potential to yield significant returns in countries with ample fiscal space. Small states face unique fiscal challenges exacerbated by the pandemic and climate change-related disasters. Comprehensive fiscal reforms to stabilize revenues and improve spending efficiency are essential, with the global community playing a vital role in supporting these efforts through financial assistance and technical support.

Despite the challenges, the global economy has demonstrated resilience and adaptability in the face of adversity. By embracing a spirit of international cooperation, implementing targeted policy measures and harnessing the power of public investment, the world can navigate the current economic landscape and lay the foundation for a more prosperous and equitable future.

### <sup>2</sup>Indian Economic scenario

India's economy has demonstrated remarkable resilience, maintaining the growth momentum from FY23 into FY24 despite global challenges. By prioritizing macroeconomic stability, India has effectively minimized the impact of external vulnerabilities. The real GDP grew by an impressive 8.2% in FY24, marking the third consecutive year of over 7% growth. This robust performance is driven by steady consumption demand and a significant improvement in investment sentiment.

On the supply side, the Gross Value Added (GVA) at constant prices grew by 7.2% in FY24, with broad-based growth across sectors. Notably, the manufacturing sector rebounded from a lackluster FY23, achieving a growth rate of 9.9% in FY24. This resurgence was supported by reduced input prices, stable domestic demand and efficient pass-through of cost reductions to consumers. The construction sector also experienced a 9.9% growth, fueled by infrastructure development and strong demand in the real estate market.

**“ The Economic Survey projects a real GDP growth of 6.5-7.0% for FY25, with risks evenly balanced. ”**

1 Sources: World Bank, IMF, OECD, UNCTAD, Fitch ratings, Indian Express

2 Source: Economic Survey, 2023-24



The services sector continued its upward trajectory, as evidenced by double-digit growth in GST collections and e-way bill issuance. Financial and professional services, which have been key drivers in the post-pandemic era, further strengthened their position. Additionally, contact-intensive services like trade, transport, and real estate have rebounded robustly, incorporating technology and digital solutions to enhance service delivery. Private consumption remains a cornerstone of India's economic growth, with a 4.0% increase in real terms in FY24. Urban demand remains strong, reflected in indicators like passenger vehicle sales and air traffic, while rural consumption is gradually picking up.

Gross Fixed Capital Formation (GFCF) has emerged as a significant growth driver, with its share in nominal GDP increasing. India is currently experiencing a private CAPEX up-cycle, supported by government capital expenditure. Households have also contributed to capital formation, particularly through increased investments in urban housing.

The banking and financial sector, bolstered by cleaner balance sheets and ample capital buffers, is well-equipped to meet the rising financing needs of investment demand. Credit disbursement to MSMEs and the services sector continues to grow in double digits, while personal loans for housing have surged in line with increased demand. Larger industries are increasingly turning to the corporate bond market for financing, with issuances in FY24 growing by 70.5%.

While merchandise exports moderated due to weaker global demand, India's service exports reached a new peak of USD 341.1 billion in FY24. The overall trade deficit narrowed in FY24 due to a sharper decline in merchandise imports, resulting in a Current Account Deficit of 0.7% of GDP, a significant improvement from the 2.0% deficit in FY23.

India's external sector is being managed effectively, with robust foreign exchange reserves and a stable exchange rate. FOREX reserves at the end of March 2024 were sufficient to cover 11 months of projected imports and exceeded total external debt. The Indian rupee has also been one of the least volatile currencies among emerging market peers in FY24.

The government's commitment to fiscal consolidation and prudent management has led to a decline in the macroeconomic vulnerability index, reflecting improved macroeconomic stability. This stability, combined with progressive policy reforms and attractive investment opportunities, has fostered a positive economic outlook for India.

The Economic Survey projects a real GDP growth of 6.5-7.0% for FY25, with risks evenly balanced. This projection considers factors such as improving global growth prospects, a normal monsoon forecast, the maturing of structural reforms like GST & IBC and sustained private investment. However, challenges like managing inflationary pressures, addressing external vulnerabilities and navigating global economic headwinds remain crucial for sustaining India's growth momentum.

### **Internal Control System & its adequacy**

Your Company has an independent Internal Audit Department which reports directly to the Chairman and Managing Director. The Internal Audit team is responsible for reviewing the established internal control systems at place within the organization. The Company not only has a proper and adequate system of internal control and proper documented procedure encompassing all financial and operating functions but also a history and tradition bequeathed since inception. These have been planned to provide reasonable accuracy for maintenance of proper accounting and adequate control to monitor and to govern the company's fund, to optimize internal resources for increasing operational efficiency, to secure assets from unauthorized use and to ascertain reliance on financial and all other operational information.

With the introduction of the ERP system in 2023, the internal control system has become even more robust, providing enhanced oversight and integration of financial and operational data. Your Company has undertaken unified untiring team effort to achieve the best possible state-of-the art system. Salient facets of the internal control system are:

- ♦ An extensive programme of carrying out internal audits, management and financial reviews to ensure greater efficiency, transparency and accountability.
- ♦ Quarterly Internal Audit reports comprising of significant audit observations and follow-up actions thereon are placed before the Audit Committee for its review.

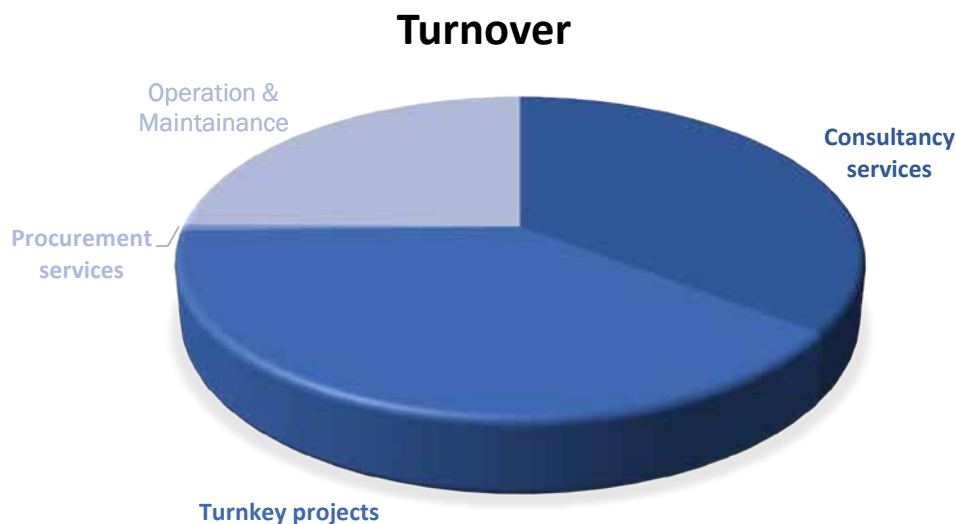
- ◆ Observations and findings of Internal Audit are well taken care of and compliance reports of the implementations made are periodically submitted to the Management and Audit Committee.
- ◆ Well defined delegation of power with sanctioning limits for purchasing of capital items and approving of revenue expenditure.
- ◆ Well planned budget for capital & revenue expenditure and continuous monitoring.
- ◆ Keeping with various regulatory changes, guidelines issued by authorities and for bringing uniformity in the process flow of work and strengthening control mechanism, a more robust and efficient Purchase and Disposal Procedure, 2019 have been adopted since January, 2020.
- ◆ Well framed Establishment Manual and Service Rules to codify rules and policies governing service conditions of employees.
- ◆ Well codified Apex Quality Manual for ensuring quality of services provided and goods sold for executing EPC projects.
- ◆ Periodical meeting at all functional levels and also at corporate level for reviewing and achieving the targeted results.
- ◆ With implementation of online information system starting from raising of invoices to collection of money, the entire system has been made more effective in terms of furnishing factual information in shortest possible time.
- ◆ Well defined plan to invest surplus fund most judiciously and reporting thereof to the Apex management regularly.

### Discussion on Financial Performance with respect to Operational Performance

During the F.Y. 2023-24, your Company has achieved Turnover of Rs. 92,379.02 Lakhs. Turnover from Consultancy services was Rs. 32,768.79 Lakhs, mainly from execution of consultancy order for GAIL, NMDC, different Steel Plants of SAIL, etc. Turnover from Consultancy services constituted around 35.47% of the total turnover, turnover from Turnkey Projects constituted 39.17% of total turnover, turnover from Procurement Services constituted 0.62% of total turnover and turnover from Operations and Maintenance constituted 24.74% of total turnover.

**“ Highest ever Revenue from Operations of Rs. 1,01,282.43 Lakhs during the F.Y. 2023-24 ”**

The Turnover of the Company has increased by 8.05% in the F.Y. 2023-24 over the previous financial year



The Company has achieved highest ever Revenue from Operations of Rs. 1,01,282.43 lakhs during the FY 2023-24, marking a significant growth of 13.87% over previous financial year. The EBITDA of the Company during the FY 2023-24 was Rs. 6,750.04 Lakhs which has remarkably increased by 54.53% over previous financial year. During the FY 2023-24, the Profit Before Tax (PBT) was Rs. 5,207.85 Lakhs and Profit After Tax was Rs. 2,452.00 Lakhs.

The Net Worth of the Company has increased from Rs. 46,050.42 Lakhs as on 31<sup>st</sup> March, 2023 to Rs. 47,576.28 Lakhs as on 31<sup>st</sup> March, 2024, i.e., increase by Rs. 1,525.86 Lakhs compared to previous year.



The highlights of financial performance of the Company for the F.Y. 2023-24 *vis-à-vis* F.Y. 2022-23 are mentioned below:

(Rs in Lakhs)

Particulars	FY 2023-24	<sup>3</sup> FY 2022-23
Turnover	92,379.02	85,496.72
Revenue from Operations	1,01,282.43	88,945.92
Total Income	1,06,327.93	94,594.29
Work & Consultancy Expenses	56,026.52	44,582.60
(Accretion) / Decretion to Jobs-in-Progress	796.47	687.14
Employee Benefit Expenses	33,147.55	33,669.81
Other Expenses	9,607.35	13,387.28
Exceptional Items	--	2,100.76
EBITDA	6,750.04	4,368.22
Finance Costs	445.53	221.44
Depreciation and Amortisation Expenses	1,096.66	745.98
Profit / (Loss) Before Tax	5,207.85	3,400.80
Profit / (Loss) After Tax	2,452.00	3,100.93
Total Comprehensive Income	5,478.94	1,377.41
Property Plant & Equipments (Net)	7,951.32	6,879.70
Capital Work In Progress	157.10	1,600.78
Intangible Assets (Net)	826.24	147.16
Inventories	317.26	224.40
<b>Financial Assets (Current and Non-Current)</b>		
Investment	11.92	11.92
Trade Receivables	48,780.42	37,120.46
Loans	584.87	881.54
Cash and Bank Balance	80,452.47	67,281.93
Other Financial Assets (Excluding Bank Balance)	8,924.32	6,533.93
Tax Assets (Net)	12,799.55	13,952.28
Other Assets (Current and Non-Current)	8,653.63	10,037.79
<b>Financial Liabilities (Current and Non-Current)</b>		
Trade Payables	28,882.15	26,057.03
Other Financial Liabilities (Current and Non-Current)	25,493.56	25,444.08
Other Liabilities (Current and Non-Current)	43,837.00	19,146.83
Provisions (Current and Non-Current)	27,249.54	34,579.90
Net Worth	47,576.28	46,050.42
Share Capital	4,013.84	4,013.84
Capital Employed	35,103.53	27,636.22

The key financial ratios with respect to your Company is as follows:

(Rs in Lakhs)

Particulars	FY 2023-24	<sup>4</sup> FY 2022-23
Current Ratio	1.51	1.66
Debt-Equity Ratio	NIL	NIL
Debt Service Coverage Ratio	NIL	NIL
Return on Equity Ratio	0.06	0.08
Trade Receivables Turnover Ratio	2.15	2.27
Trade Payables Turnover Ratio	2.04	1.97
Net Capital Turnover Ratio	1.81	1.78
Net Profit Ratio	0.03	0.04
Return on Capital Employed	0.16	0.13

During the Financial Year 2023-24, MECON contributed ₹11,000.24 Lakhs to the national exchequer by way of payment of taxes and duties.

### Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, average Net Profit of your Company for the preceding three Financial Years i.e. F.Y. 2020-21, 2021-22, 2022-23 was Rs. 2,419.99 Lakhs. Therefore, 2% of the average Net Profit i.e. Rs. 48.40 Lakhs was allocated as CSR Fund for FY 2023-24.

The various CSR projects / activities carried out by your Company under its CSR Policy during FY 2023-24, from the total available CSR fund of Rs. 271.45 Lakhs [Allocated fund of Rs. 48.40 Lakhs for FY 2023-24 + Surplus fund (Interest earned for the FY 2021-22 & FY 2022-23 on “Flexi Deposit Account” of Unspent CSR Balance for FY 2020-21) of Rs. 7.4 lakhs + Carry-over fund of Rs. 215.65 Lakhs from previous years] are Nutrition & Healthcare, Education and Skill Development & Livelihood, in Adopted Villages / Other places of Ranchi & Khunti districts of Jharkhand, which are the Aspirational Districts (As identified by NITI Aayog).

The details of CSR Projects / Activities carried out by your Company are highlighted in **Appendix- 2 and 3** to the Board Report. The Management of your Company always lays thrust upon timely completion of the CSR projects/ activities so that its benefit is passed on to the end user.

### Cautionary Statement

Matters covered in the Management Discussion and Analysis report describing the Company’s objective, projections, estimates and expectations may be ‘forward- looking statements’ within the meaning of applicable laws and guidelines. The actual performance could vary from those projected or implied. Important or unforeseen factors that could make a difference to the Company’s operations include economic conditions, demand/supply and domestic & international market conditions, changes in laws, guidelines and other incidental factors.



# Corporate Governance Report

## Company's Philosophy

The Company's philosophy on Corporate Governance has been to ensure protection of stakeholders' interest through transparency, full disclosures, empowerment of employees and collective decision making. The Governance practice in the Company is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values that governs relationship with all its stakeholders and attaining maximum level of enrichment of the enterprise. Your Company lays emphasis on enhancing the value of all those who are associated with the Company viz. Shareholders, Customers, Vendors, Government of India, various State Governments, other Government Agencies/ Departments and the society at large.

## Composition of the Board of Directors

Your Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 (The Act), appointment of all Directors is done by the President of India through the administrative Ministry i.e. Ministry of Steel. The composition of the Board is as per the Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE) applicable to all Central Public Sector Enterprises (CPSEs).

The Articles of Association (AoA) of the Company stipulate that the number of Directors shall not be less than five and not more than thirteen. As on 31.03.2024, the Board of MECON comprised of five Whole time/ Functional Directors and two Government Nominee Directors.

<sup>1</sup>The composition of the Board of MECON is as follows:-

CMD & Whole time Directors	Shri Sanjay Kumar Verma, CMD & Director (Commercial)- Addl. Charge DIN: 08600373
	Shri Mukesh Kumar, Director (Finance) DIN: 08778135
	Shri Amit Raj, Director (Technical) DIN: 10302193
	Shri Pradumn Kumar Dixit, Director (Projects) DIN: 10308148
Government Nominee Directors	Smt. Sukriti Likhi, IAS DIN: 01825997
	Dr. Sanjay Roy DIN: 10045280
Independent Director	<sup>2</sup> NIL

The Chairman and Managing Director (CMD) and other Whole- time Directors are appointed for a period of five years or till the age of superannuation or until further orders, whichever is earlier. Government Nominee Directors representing Ministry of Steel, continue to hold directorship as per the order issued by the Ministry of Steel, Government of India and the same is co-terminus with their position in the Ministry of Steel, Government of India. The Independent Directors are usually appointed for a period of three years.

The Directors neither held membership of more than 10 Committees nor acted as Chairperson of more than 5 Committees as specified in Clause 3.3.2 of the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises across all the companies in which they were Directors. None of the Directors hold any shares in the Company. Shri Sanjay Kumar Verma, Chairman and Managing Director and Dr. Sanjay Roy, Government Nominee Director each holding 120 equity shares of Rs. 10/- as a nominee shareholder to the President of India. There is no inter-se relationship between the Directors of the Company.

<sup>1</sup> As on 01.08.2024

<sup>2</sup> During the entire F.Y. 2023-24, there was no Independent Director on the Board of MECON.

## Brief profile of existing Directors<sup>3</sup>

### Whole time Directors including CMD

#### **Shri Sanjay Kumar Verma, Chairman and Managing Director**

Shri Sanjay Kumar Verma, did his B.Sc (Mechanical Engineer) in 1988 from BIT Sindri, holding extensive knowledge and experience in the field of Blast Furnaces. He played an instrumental role in successful running of more than 19 Blast Furnaces. Shri Verma has been spearheading his campaign to bring the Indian Blast Furnaces as par with global standards and even excelling over them.

Apart from being a true technologist, he also holds experience in marketing activities. Under his leadership, MECON has successfully galvanized the business development, marketing and contracting activities resulted in Substantial Business procurement growth and signing of number of MoUs with strategic partners.

Shri Verma has also enriched the engineering and academic fraternity by his numerous publications published over a range of journals and seminar compendiums. Shri Verma is a recipient of many accolades from the Industry including Award of excellence from Indian Institute of Metals and “Bharat Ratna Sir Mokshagundam Visvesvaraya Life time Achievement Award ” from IE(I).

On 15.01.2020, Shri Verma was appointed as the Director (Commercial) of the Company. He has been appointed as Chairman and Managing Director of the Company effective from 19.04.2024. He is also Nominee Director on the Board of GPCL Consulting Services Limited, Mumbai w.e.f. 23.05.2023.

#### **Shri Mukesh Kumar, Director (Finance)**

Shri Mukesh Kumar has taken over as the Director (Finance) of MECON on 7<sup>th</sup> December, 2022. Born on 1972, Shri Kumar is an Associate Member of the Indian Institute of Cost Accountants of India (ICAI) and also holds management degree in Finance.

Before his joining in MECON as Director (Finance), he has served The Braithwaite Burn & Jessop Construction Company Limited, Kolkata as Director (Finance) since July, 2020. He has also being appointed as Director (Finance)- Additional Charge on the Board of Scooters India Limited, Lucknow for the period August, 2020 to August, 2022.

Prior to his Board level appointment in The Braithwaite Burn & Jessop Construction Company Limited, he has served in Project & Development India Limited (PDIL) for 12 years. Shri Kumar has rich and varied experience of more than 24 years working in Government, Public & Private Sectors with wide exposure in all aspects of Corporate Accounts & Financial Management.

#### **Shri Amit Raj, Director (Technical)**

Shri Amit Raj assumed charge of the post of Director (Technical), MECON Limited on 31<sup>st</sup> August, 2023. Born on 09.01.1969 at Patna, Shri Amit, a 1989 Mechanical Engineering graduate from NIT, Warangal, joined MECON in the year 1993, after working in Hindustan Petroleum Corporation Limited for more than 3 years. Shri Amit also acquired Post Graduate Diploma in Management in 2002.

He is an accomplished technocrat with more than 33 years of rich & diverse experience in Engineering, Erection, Commissioning and Project Management, including Site Services as well as Contract Management across Public and Private sector clients.

He has extensive experience in the field of Coke Oven Batteries and Coke Dry Cooling Plants, having worked on these projects from Concept to Commissioning. He was also instrumental in development of indigenous 1.0 MT Jumbo Top Charge Coke Oven Battery which also received Patent from the Government of India.

#### **Shri Pradumn Kumar Dixit, Director (Projects)**

Shri Pradumn Kumar Dixit assumed the charge of Director (Projects) at MECON on 05.09.2023. Born on the 12<sup>th</sup> October, 1965, Shri Dixit did his B.Tech in Civil Engineering from IIT, Kharagpur in 1988 followed by M. Tech.

<sup>3</sup> As on 01.08.2024



in Industrial & Management Engineering from IIT, Kanpur in 1995 and thereafter PGDBM from IMT, Ghaziabad in 2010.

He joined MECON as a Management Trainee (Tech) in 1988 and over the years he has had a wide ranging and rich experience in Consultancy as well as EPC Projects executed by MECON.

During his nearly 35 years of service, he worked in variety of sectors starting from Steel sector and subsequently moved to Infrastructure and presently Oil & Gas sector with rich exposure to Technical, Commercial as well as Techno-commercial domains.

## Government Nominee Directors

### **Smt. Sukriti Likhi, IAS, Government Nominee Director and ASFA, Ministry of Steel**

Smt. Sukriti Likhi is Additional Secretary and Financial Adviser to the Ministry of Steel, Government of India. She belongs to the Indian Administrative Service. An Economics graduate from Lady Shri Ram College, she holds a Masters degree in Sociology from the Delhi School of Economics and a Masters in Public Administration from Harvard University. Presently, Smt. Likhi is also Director on the Board of SAIL, NMDC, RINL, KIOCL, MECON and NSL.

Most recently she was Additional Secretary, Ministry of Heavy Industries, Government of India. Her varied experience in administration includes working in the Ministry of Finance, as Director in the Department of Financial Services, later as Counsellor (Economic) with the Embassy of India at Washington DC. In the Haryana State Government her experience includes Finance, Urban Development and food procurement as MD Hafed.

### **Dr. Sanjay Roy, Government Nominee Director and Joint Secretary, Ministry of Steel**

Dr. Sanjay Roy, Joint Secretary, Ministry of Steel, Government of India, belongs to the Indian Information Service (Cadre-1997). He holds a MBBS degree from University College of Medical Sciences, New Delhi. He has done foundation course from HCM Rajasthan, Institute of Public Administration in 1997 and got training in media Management and Communication from Queensland University of Technology, Brisbane, Australia and Training in Management Skills and Media at Berkely, US.

He has vast experience in administration which includes working as Officer on Special Duty, Information Policy Planning, Ministry of Information & Broadcasting, Joint Director, North West Zone in Directorate of Field Publicity, Ministry of I&B, Director, Jammu & Kashmir Affairs, Ministry of Home Affairs, Director (PMSSY & Director Medical Education) in Ministry of Health and Family Welfare.

## Board Meetings

The Board meets statutorily and also as many times as may be warranted. The Board Meetings of the Company are convened as per the requirement of Section 171 of the Act, In order to address specific urgent needs, meetings are convened at a shorter notice. Resolutions are also passed by way of circulation in the eventuality of exigencies or urgency.

During the year under review, 05 Board Meetings were convened which was attended by all the present Directors of the Company. The details of the meeting is as follows:

Date of Meeting	Board Strength	Number of Directors Present
06.04.2023	05	05
26.06.2023	04	04
18.09.2023	07	07
22.12.2023	07	07
22.03.2024	07	07

The attendance of Directors in Board Meeting, directorship in other companies and details on attendance at the last AGM is as follows:

Name of director	Attendance at the Board Meeting held during F.Y. 2023-24		Directorship held in other companies	Committee Membership/ Chairmanship (excluding MECON)	Whether 50 <sup>th</sup> AGM held on 27.09.2023 was attended
	Meeting held during tenure	Attended meeting			
<b>Whole time Directors</b>					
Shri Ajit Kumar Saxena, CMD (Addl. Charge) DIN: 08588419 (upto 19.04.2024)	03	03	<sup>4</sup> CMD, MOIL Limited	-	Yes
Shri Sanjay Kumar Verma, Director (Commercial) DIN: 08600373	05	05	<sup>5</sup> Director, GPCL Consulting Services Limited	-	Yes
Shri Mukesh Kumar, Director (Finance) DIN: 08778135	05	05	-	-	Yes
Shri Arun Kumar Agrawal, Director (Technical) DIN: 08751440 (upto 31.05.2023)	01	01	-	-	NA
Shri Amit Raj, Director (Technical) DIN: 10302193 (w.e.f. 31.08.2023)	03	03	-	-	Yes
Shri Pradumn Kumar Dixit, Director (Projects) DIN: 10308148 (w.e.f. 05.09.2023)	03	03	-	-	Yes
<b>Government Nominee Directors</b>					
Smt. Sukriti Likhi, IAS DIN: 01825997	05	05	<sup>6</sup> Government Nominee Director 1. NMDC Limited 2. RINL 3. KIOCL Limited 4. SAIL 5. NMDC Steel Limited	-	No
Dr. Sanjay Roy DIN: 10045280	05	05	<sup>7</sup> Government Nominee Director 1. MOIL Limited 2. KIOCL Limited 3. RINL	-	Yes

4 As per disclosure in form MBP-1 as on 09.04.2024

5 As per disclosure in form MBP-1 as on 19.04.2024

6 As per disclosure in form MBP-1 as on 01.04.2024

7 As per disclosure in form MBP-1 as on 01.04.2024



## Board level Committees

There are three Board level Committees; details of which are as follows :

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee

### Audit Committee

The role of the Audit Committee covers all matters specified in Section 177 of the Act and Guidelines on Corporate Governance issued by DPE. The DPE Guidelines on Corporate Governance provides that the Audit Committee shall have minimum three Directors as members. Two-thirds of the members of Audit Committee shall be Independent Directors. Further, the Chairman of the Audit Committee shall be an Independent Director. In your Company, Director (Finance) and CMD are the permanent invitees for the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

Since 21.10.2022, there is no Independent Director on the Board of your Company. For due-diligence and proper analysis, the Board in its 261<sup>st</sup> Board Meeting held on 21.09.2023 constituted Audit Committee with available Directors till the appointment of Independent Directors.

The Audit Committee comprised of the following directors as on 31.03.2024.

Name of Directors	Status in Committee
Dr. Sanjay Roy, Government Nominee Director	Chairperson
<sup>8</sup> Shri Sanjay Kumar Verma, Director (Commercial)	Member
Shri Pradumn Kumar Dixit, Director (Projects)	Member

Once the Government of India appoints Independent Directors on the Board of your Company, the Audit Committee will be reconstituted to comply with the requirement of DPE Guidelines on Corporate Governance.

During the F.Y. 2023-24, 02 Audit Committee Meetings were convened which were attended by all the members of the Committee. The details of the Audit Committee Meeting is as follows:-

Date of Meeting	Committee Strength	Number of Members Present
20.12.2023	03	03
22.03.2024	03	03

Attendance of the Directors in the Audit Committee Meeting during the FY 2023-24 is as follows:

Name of Directors	Number of Meetings held during tenure	Number of Meetings attended
Dr. Sanjay Roy, Chairman	02	02
Shri Sanjay Kumar Verma, Member	02	02
Shri Pradumn Kumar Dixit, Member	02	02

<sup>8</sup> Due to his appointment as Chairman and Managing Director of the Company w.e.f. 19.04.2024, the Audit Committee has been reconstituted to replace him with Shri Amit Raj, Director (Technical) effective from 22.04.2024.

## Corporate Social Responsibility (CSR) Committee

The Board has constituted a CSR Committee as required under Section 135 of the Act. The terms of reference of the Committee is as per the requirement of Section 135 of the Act read with Companies (CSR Policy) Rules, 2014 and Government Guidelines issued on CSR from time to time. Generally, the Chairman of the CSR Committee is an Independent Director. However, in order to allow the Committee to function, Government Nominee Directors act as Chairman when no Independent Director is available in the Company. The Company Secretary acts as the Secretary to the CSR Committee.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The Annual Report on CSR activities for the F.Y. 2023-24 forms part of the Board's Report.

The CSR Committee comprised of the following directors as on 31.03.2024.

Name of Directors	Status in Committee
Dr. Sanjay Roy, Government Nominee Director	Chairperson
<sup>10</sup> Shri Sanjay Kumar Verma, Director (Commercial)	Member
Shri Mukesh Kumar, Director (Finance)	Member

During the year under review, 03 CSR Committee meetings were convened which was attended by all the Committee members. The details of the CSR Committee Meeting is as follows:-

Date of Meeting	Committee Strength	Number of Members Present
25.08.2023	03	03
16.09.2023	03	03
22.03.2024	03	03

Attendance of Directors in the CSR Committee during the FY 2023-24 is as follows:-

Name of Directors	Number of Meetings held during tenure	Number of Meetings attended
Dr. Sanjay Roy, Chairman	03	03
Shri. Sanjay Kumar Verma, Member	03	03
Shri Mukesh Kumar, Member	03	03

## Nomination and Remuneration Committee (NRC)

The NRC formulates and reviews policies related to remuneration / perquisites / incentives within the parameters of Guidelines issued by the Government of India. MECON, being a Government Company, the performance evaluation of Directors is carried out by the Administrative Ministry i.e. Ministry of Steel, as per applicable Government guidelines. However, inputs on performance of Independent Directors are being provided to administrative Ministry as well as DPE as and when called for.

The terms of reference to NRC is as provided under DPE Guidelines on Corporate Governance. The functions of the NRC were specified and approved by the Board. As per DPE Guidelines on Corporate Governance, NRC shall comprise of atleast three Directors, all of whom should be part-time Directors (i.e Nominee Directors or Independent Directors). The Committee should be headed by an Independent Director. The Company Secretary acts as the Secretary to the NRC.

Since 21.10.2022, there is no Independent Director on the Board of your Company. For due-diligence and proper analysis, the Board in its 261<sup>st</sup> Board Meeting held on 21.09.2023 constituted Nomination and Remuneration Committee with available Directors till the appointment of Independent Directors.

<sup>9</sup> Available on the website of the Company at <http://www.meconlimited.co.in/csr.aspx>

<sup>10</sup> Due to his appointment as Chairman and Managing Director of the Company w.e.f. 19.04.2024, the CSR Committee has been reconstituted to replace him with Shri Pradumn Kumar Dixit, Director (Projects) effective from 22.04.2024.



The Nomination and Remuneration Committee comprised of following Directors as on 31.03.2024:-

Name of Directors	Status in Committee
Dr. Sanjay Roy, Government Nominee Director	Chairman
Shri Amit Raj, Director (Technical)	Member
Shri Pradumn Kumar Dixit, Director (Projects)	Member

Once the Government of India appoints Independent Directors on the Board of your Company, the Nomination and Remuneration Committee will be reconstituted to comply with the requirement of DPE Guidelines on Corporate Governance.

During the year under review, 01 meeting of Nomination and Remuneration Committee has been carried out on 20.12.2023, which was attended by all the members of the Committee.

### Remuneration / Compensation to members of the Board

The terms and conditions of appointment of Whole time Directors including CMD is decided by the Government of India. The CMD and Whole-time Directors are paid monthly remuneration as fixed by the Government of India. The provisions of Section 197 of the Act with respect to overall maximum managerial remuneration is not applicable to the Company, being a Government Company as per the MCA notification dated 05.06.2015. The Government Nominee Directors are not paid any remuneration. The Independent Directors are not entitled to any remuneration other than sitting fee and are not entitled to any stock options. The Company has not introduced any stock option scheme.

Independent Directors are paid sitting fees of Rs. 20,000/- for attending the Board Meeting whereas Rs. 15,000/- for attending the Board level Committee meetings including Separate Meeting of Independent Directors. Additionally, Company bears all the expenditure of Directors for attending the meetings.

During the F.Y. 2023-24, the Company had no Independent Director on its Board and accordingly, no sitting fee was paid.

The details of remuneration paid/ payable to Whole time Directors during the F.Y. 2023-24 is as follows:

Name of Director	<sup>11</sup> Salary, allowances and other benefits (in Rs.)
Shri Sanjay Kumar Verma, Chairman and Managing Director (w.e.f. 19.04.2024)	48,28,592/-
Shri A. K. Agrawal, Director (Technical) (upto 31.05.2023)	<sup>12</sup> 7,98,319/-
Shri Mukesh Kumar, Director (Finance)	44,12,949/-
Shri Amit Raj, Director (Technical) (w.e.f. 31.08.2023)	25,89,411/-
Shri Pradumn Kumar Dixit, Director (Projects) (w.e.f. 05.09.2023)	29,58,693/-

### Separate Meeting of Independent Directors

During the entire F.Y. 2023-24, your Company did not had any Independent Director on its Board. The sanctioned strength of Independent Directors in the Company is three (03). Accordingly, Separate Meeting of Independent Director could not be held during the year.

MECON, being a Government Company, the appointment of all Directors including Independent Directors is made by the Government of India. As the sufficient number of Independent Directors is appointed, your Company will proceed for convening atleast 01 Separate Meeting of Independent Directors.

11 It includes Company's contribution to provident fund and pension also.

12 Does not include superannuation benefits of Rs. 26,40,222/- paid / payable to Shri A.K. Agrawal.

## General Meetings

### Annual General Meeting

The Annual General Meeting (AGM) of the Company is convened as per Section 96 of the Act. Generally, ordinary businesses as prescribed under Section 102(2) of the Act are considered in the AGM. The 50th AGM of the Company was convened by giving shorter notice in compliance with the requirement of proviso to Section 101(1) of the Act.

The details of last three Annual General Meeting (AGM) of the Company are as follows:

Year	Date and time	Venue	Whether Special Resolution passed
48 <sup>th</sup> AGM for the FY 2020-21	30.10.2021 at 12.00 PM	OU DH Conference Hall, Hotel Ashok, Chanakyapuri, New Delhi	No
49 <sup>th</sup> AGM for the FY 2021-22	18.10.2022 at 11.30 AM	OU DH Conference Hall, Hotel Ashok, Chanakyapuri, New Delhi	No
50 <sup>th</sup> AGM for the FY 2022-23	27.09.2023 at 02.00 PM	OU DH Conference Hall, Hotel Ashok, Chanakyapuri, New Delhi	No

### Extra-ordinary General Meeting

No Extra- ordinary general Meeting of members was held during the F.Y. 2023-24 as there was no 'special business' as prescribed under Section 102(2) of the Act.

## Other Disclosures

### Shareholding pattern

Your Company is a Government Company within the meaning of Section 2(45) of the Act. The total paid up equity share capital of the Company is held in the name of the President of India. Generally, CMD and one Government Nominee Director are nominated as the nominee shareholder of the Hon'ble President of India.

### Proceeds from Public Issue, Right Issue and Preferential Issue

The Company has not raised any money from Public Issue, Right Issue or Preferential Issue during the F.Y. 2023-24.

### Related party transactions

There are no materially significant related party transactions with Directors having potential conflict with the interest of Company at large. There is no relationship inter- se among the Directors. The disclosure on Related Party Transaction as per the requirement of Indian Accounting Standard- 24 is disclosed under Note 42.10 of the Financial Statement.

### Disclosure of accounting treatment

All applicable Indian Accounting Standards issued by the Institute of Chartered Accountants of India are being followed in the preparation of financial statements. The Significant Accounting Policy of the Company is disclosed under Note 2 of the Financial Statement.

### Code of Conduct

The Board of Directors has laid down Code of Business Conduct and Ethics for Board Members and Senior Management personnel of the Company in line with the requirement of Clause 3.4 of the Guidelines on Corporate Governance issued by DPE. The purpose of the Code is to enhance further ethical and transparent process in managing the affairs of the Company. The Code is displayed on the website of the Company. All Board Members and Senior Management officials have affirmed to the said Code.

### Compliance of Corporate Governance Guidelines

The Company complies with the Guidelines on Corporate Governance issued by DPE on a quarterly basis. There is an online dedicated portal of the Department of Public Enterprises (DPE) for reporting and monitoring of



Compliance Report on Guidelines on Corporate Governance. The quarterly compliance report is being submitted on the said portal disclosing the total details of compliance made by the Company. Your Company invariably scores 'Excellent' rating in compliance with the Guidelines on Corporate Governance issued by DPE.

Further, a certificate on Compliance of the conditions of Corporate Governance duly certified by M/s K. Pandeya & Co., Statutory Auditor for the F.Y. 2023-24, in terms of the Corporate Governance Guidelines issued by DPE forms part of this report.

### **Means of communication**

The Annual Report for the FY 2023-24 is circulated to the members for communicating the performance of the Company during the reported period. Moreover, <sup>13</sup>Annual Reports of the Company from FY. 2011-12 is available on the website of the Company in English and Bi-lingual version.

### **Training of Board Members**

Directors are being nominated, as and when required for the training programme in accordance with the business model of the Company as well as risk profile of the business parameters of the Company, their responsibilities as Directors and the best way to discharge the same being organised by DPE and other Government / Non-Government reputed Institutions.

### **Vigil Mechanism/ Whistle Blower Policy**

Your Company has implemented the Vigil Mechanism/<sup>14</sup> Whistle Blower Policy in accordance with the requirement of Section 177(9) of the Act and the same is uploaded on the website of the Company. The policy provides vigil mechanism guideline to ensure greater transparency in all aspects of the Company's functioning. It is also affirmed that no employee has been denied access to the Audit Committee.

13 Available at [http://www.meconlimited.co.in/Annual\\_Report.aspx](http://www.meconlimited.co.in/Annual_Report.aspx)

14 Available at [http://www.meconlimited.co.in/Writereaddata/Downloads/Whistle\\_Blower\\_Policy.pdf](http://www.meconlimited.co.in/Writereaddata/Downloads/Whistle_Blower_Policy.pdf)

*K. Pandeya & Co.*  
Chartered Accountants



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### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members**  
**MECON Limited**

We have examined the compliance of Guidelines on Corporate Governance for Central Public Sector Enterprise, 2010 issued by DPE.

The compliance of Guidelines on Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Guidelines on Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the management, we certify that, except the Composition of the Board of Directors with regard to Independent Directors & Composition<sup>1</sup> of its Statutory Committee(s) viz. Audit Committee and Remuneration Committee with regard to Independent Directors, the Company has complied with the Guidelines on Corporate Governance as stipulated in DPE guidelines.

We further state that such compliance 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.



**Place:** Ranchi  
**Date:** 31.05.2024  
**UDIN:** 24403581BKEIQG3490

**For K. Pandeya & Co.**  
**Chartered Accountants**  
Firm's Reg. No.: 000135C

  
**CA Gopal Singh**  
Partner, M. No. 403581

#### **BRANCHES :**

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- Website : www.kpandeya.com



# Revised Independent Auditors' Report

(This report is a revision of our earlier report dated 29.06.2024 based on observation of Comptroller and Auditor General)

To,  
The Members of MECON Limited  
Report on the Audit of the Standalone Financial Statements.

## Opinion

We have audited the accompanying Standalone Financial Statements of MECON LIMITED (“the Company”) which comprises the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for year 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 Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards ) Rule, 2015 as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2024, the Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Interim Standalone Financial Statements under the provisions of the Companies Act, 2013 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 opinion on the Standalone Financial Statements.

## Emphasis of Matters

We draw attention to the following matters in the notes to the Standalone Financial Statements. Our opinion is not modified in respect of these matters.

- a) Note no. 42.21 with respect to appeal filed by the company with the Hon’ble Principal District Court, Cuddalore in the matter related to recovery of advance amounting to Rs. 756.86 lakhs from Mysore Construction Company secured by bank guarantee.
- b) As per note 14, trade receivable worth Rs. 23,002.50 lakhs are due for more than 3 years. Company has already made provisions and liabilities for Rs. 22,802.50 lakhs in the books of accounts against these trade receivables.
- c) As per note 5, software individually costing up to 5,00,000.00 each is fully amortised in the year of acquisition. Schedule II of Companies Act 2013 specifically mentions that intangible assets will be amortised as per Ind AS for companies following Ind AS roadmap. Ind AS 38 specifies that accounting for an intangible asset is based on its useful life. There is no specified threshold for depreciation of low value intangible asset. A company can have a policy to fully depreciate asset up to certain threshold limit considering materiality aspect in the year of acquisition. The company has fixed a threshold of Rs. 5,00,000.00 to fully depreciate software in the year of acquisition. As per Note 5, software individually costing upto Rs. 5,00,000.00 each is fully amortised in year of acquisition. Using this threshold limit, software aggregating to Rs. 1,96,78,863.00 has been amortised during FY 2023-24 by the Company and this amount is material enough to be highlighted.

## Key Audit Matters

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

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	<p><b>Recognition and Measurement of Revenue</b></p> <p>The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue should be recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of the transaction price, allocation of the transaction price to identified performance obligations, and the appropriateness of the revenue recognition methodology. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer: Notes 2(8) to the Standalone Financial Statement of Accounting Policy on Revenue Recognition</p>	<p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), the standard on revenue recognition, include the following</p> <ul style="list-style-type: none"> <li>◆ Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue recognition standard.</li> <li>◆ Evaluated the detailed analysis performed by management across revenue streams by selecting samples for the existing contracts with customers and verified the appropriateness of identification of distinct performance obligations, determination of the transaction price, allocation of the transaction price to identified performance obligations and the appropriateness of the revenue recognition methodology.</li> <li>◆ Evaluated the appropriateness of the accounting policy and disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>
2.	<p><b>New ERP implementation (SAP)</b></p> <p>The management had Implemented new ERP system (SAP) in FY 2023-2024 from September 2023. There are typically two timeframes in which you can go live with a new ERP system: one at the fiscal year end and one in the middle of the fiscal year, the management has chosen middle of the fiscal year.</p>	<p>Implementation of new ERP system substantially increases time and extent of Audit. Our Audit procedures include:</p> <ol style="list-style-type: none"> <li>1. Agreement/contract for services (detailed plan) and system purchase with related invoicing, etc. Accounting would need to consider any split between the capital asset related costs and ongoing maintenance/ongoing service contract (non-capital expense) components.</li> <li>2. Conversion plan, including:             <ol style="list-style-type: none"> <li>a) Conversion team (you and external vendor members).</li> <li>b) Responsibilities by role, i.e., who is responsible for the conversion timeline / milestones and approvals / review.</li> <li>c) Details of specific data migration techniques and data cleansing required to convert data from legacy to new system.</li> <li>d) Planned conversion steps and timeframes.</li> </ol> </li> <li>3. Reviewing would generally involve test of Internal Controls like Segregation of duties, access and permissions of each user.</li> <li>4. Backup and restore controls. How is the system backed up and what is the restore policy? Risk and control issues around the ERP application.</li> </ol>



## Other information

1. Bank Guarantee in the nature of Security Deposit / Performance Guarantee must be received before signing of the Agreement with the successful bidder. In cases examined by us, Bank Guarantee in the nature of Security Deposit / Performance Guarantee were linked to payment clause of the agreement.
2. Positive and negative confirmations are two types of audit evidence that involve sending letters to third parties to verify the accuracy of balances recorded in their names in the financial statements of the auditee. A positive confirmation requires the third party to respond whether the records are correct or not, while a negative confirmation only requires a response if there is a discrepancy. The management uses the negative confirmation method to confirm balances due under trade receivables. A positive confirmation is more reliable method than negative confirmation. A positive confirmation should be done for all receivables outstanding for more than 1 year.

Moreover, the balance confirmation received by us till the date of audit does not conform the balance of trade receivable recorded in books of account in the following cases:

S. No.	Party / Client Name	Balance in Books of Account as on 31.03.2024	Balance as per external Confirmation
1.	M/S Tata Steel Long Limited	RS 6,64,630/-	RS 2,66,765/-
2.	M/S Mineral Exploration and consultancy Ltd	Rs 1,04,746/-	NIL outstanding balance
3.	M/S Chhattisgarh State Power Generation Co. Ltd	Rs 2,65,500/-	NIL outstanding balance
4.	M/s Tamil Nadu Generation and Distribution	Rs 7,60,508/-	No outstanding balance

3. NMDC Steel's trade receivable outstanding for the Fixed Service Fee as on reporting date is Rs 88 crore and trade receivable toward Procurement Contract is Rs 68 crore.

## Information Other than the Standalone Financial Statements and Auditor's Report thereon

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

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

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

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

## Responsibility of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, Total Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the 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 is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility 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 the 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 SAs, we exercise professional judgment and maintain professional scepticism 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public



disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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(5) of the Act, the Comptroller and Auditor General of India Issued Directions and sub-directions. We give our comment thereon vide **Annexure "B"**.
3. 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 Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
  - e. In terms of Govt. of India, Department of Companies Affairs Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015, Govt. Company is exempt from applicability of provision of section 164(2) of the Companies Act 2013.
  - f. In terms of Govt. of India, Department of Companies Affairs Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015, Govt. Company is exempt from applicability of provision of section 197(16) of the Companies Act 2013.
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 40.1 to the standalone financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses if any, on long-term contracts and the Company did not have any derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b), contain any material misstatement.
- v. As stated in the standalone financial statements;
  - a) The final dividend proposed in the previous year, declared, and paid by the Company during the current financial year is in accordance with section 123 of the Act, as applicable.
  - b) The Board of Directors of the Company have proposed final dividend during the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed as per Note 41 is in accordance with the Section 123 of the Act, as applicable.
- vi. As per Ministry of Corporate Affairs Notification New Delhi, dated 5<sup>th</sup> August, 2022 (File No. 1/19/2013-CL-V-Part III), back-up of the books of account/other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India on a daily basis. This notification was effective from 5<sup>th</sup> August, 2022 and Company is following this notification as back-up of the books of account/other books & papers maintained in electronic mode is being kept in servers physically located in India on a daily basis.
- vii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For K. Pandeya & Co.  
Chartered Accountants  
Firm Registration No: 000135C

Sd/-  
CA Gopal Singh  
(Partner)  
Membership No: 403581  
UDIN: 24403581BKEISH4098

Place : Ranchi  
Date : 20.08.2024



## **"Annexure A" to the Independent Auditors' report of even date on Standalone Financial Statements of MECON LIMITED (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section)**

### **(i) In respect of its Property, Plant and Equipment and Intangible Assets:**

- a) (A) The Company has generally maintained proper records showing full particulars including quantitative details of Property, Plant and Equipment (including Right-of-Use Asset), but situation of the Property, Plant and Equipment (including Right-of-Use Asset) is not properly documented in records maintained. Location and identification number of assets have not been shown in register maintained by the company.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- b) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has a regular programme of annual verification of its Property Plant and Equipment. The Property, Plant and Equipment of the Company have been physically verified by the management. In our opinion, the period of verification is reasonable having regard to the size of the company and the nature of its business.
- c) According to the information and explanations given to us and on the basis of examination of records of the Company, the title deeds of all the Immovable Properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except the following:

Description of property	Gross carrying value (Rs. in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in name of company
10.25 acres of land for Administrative Building at HO, Ranchi	2.69	Government of Jharkhand	No	Since 25.10.1962	Deed of conveyance is pending for execution by the Government of Jharkhand
Office Space / Building at Scope Minar, Laxmi Nagar, New Delhi (13 <sup>th</sup> & 15 <sup>th</sup> Floor)	1,193.30	SCOPE	No	Since 23.12.2004	The office building at Scope Minar, Delhi has been acquired on contribution basis without ownership.

- d) As per IND AS 16 Property, Plant and Equipment should be maintained in register component wise but it has not been done by the company.
- e) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.
- f) There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

### **(ii) In respect of physical verification of Inventory:**

- a) The inventories have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the procedure for physical verification of inventories followed by the management is generally reasonable and adequate in relation to the size of the company and the nature of its business. No material discrepancies have been noticed on verification between the physical stocks and the book records.

- b) According to the information given to us, the company has been sanctioned bank overdraft facilities in excess of five crore rupees, in aggregate, from banks on the basis of security of bank term deposits with the respective banks which are in agreement with the books of accounts of the Company.
- (iii) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not made any 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 under Section 189 of the Companies Act, 2013 and hence clause (A) to (B) is not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not given any loans and guarantees and not made any investments in respect of Section 185 & 186 of the Companies Act 2013.
- (v) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not accepted any public deposits during the year hence clause (v) is not applicable to the Company. Accordingly, the directives issued by the RBI and provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under are not applicable.
- (vi) According to the information given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Act.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, in respect of Provident Fund, Employee's State Insurance, Income-tax, Goods & Service Tax, Customs duty, Excise Duty, Cess and other material Statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable, as per books of accounts as at 31st March, 2024.
- b) According to the information and explanations given to us, there are disputed statutory dues, which have not been deposited as at 31st March, 2024, as given herein below:

Name of the Statute	Period to which relates	Forum	Amount (Rs. in Lakhs)
Central Sales Tax Act & Sales Tax Acts of various states	1999-2000	STAT, Andhra Pradesh	4.41
	2000-2001	STAT, Andhra Pradesh	101.40
	2001-2002	Andhra Pradesh, High Court	450.88
	1995-1996	Commissioner of Commercial Taxes, Ranchi	258.12
	1999-2000	Commissioner of Commercial Taxes, Ranchi	24.51
	2001-2002	Commissioner of Commercial Taxes, Ranchi	49.47
	2002-2003	Commissioner of Commercial Taxes, Ranchi	106.62
	2009-2010	Jharkhand Commercial Tax Tribunal	27.66
	2010-2011	Jharkhand Commercial Tax Tribunal	77.34
	1993-1994 1994-1995 1996-1997	JCCT(Appeal), Dhanbad	0.67



Name of the Statute	Period to which relates	Forum	Amount (Rs. in Lakhs)
Central Sales Tax Act & Sales Tax Acts of various states	2005-2006	Commissioner of Commercial Taxes, Ranchi	78.50
	1996-1997	Joint Commissioner of Comm. Taxes, (Appeal), Jamshedpur	1.92
	2010-2011	Commissioner of Com. Taxes, Ranchi	217.29
	2011-2012	Commissioner of Com. Taxes, Ranchi	535.81
	2011-2012	Commissioner of Com. Taxes, Ranchi	0.02
	1997-1998	Commissioner of CT & GST, Cuttack	46.51
	2013-2014	Jt. Commissioner (Appeal), Durg	0.31
	2014-2015	Sales Tax Appellate Tribunal, Raipur	12.29
Central Excise Act, 1944	2018-2019	CESTAT, Kolkata	200.00
Service Tax	2018-2019	Commissioner Appeal, CGST	30.65
		Central Excise Ranchi	
The Regional Provident Fund Commissioner-II, Jharkhand, Ranchi	2003-2004	EPE, Appellate Tribunal, New Delhi	322.91
Income Tax Act	2000-2001	Income Tax Appellate Tribunal, Ranchi	178.17
Income Tax Act	2002-2003	CIT (A), Ranchi	105.54
Income Tax Act	2010-2011	Income Tax Appellate Tribunal, Ranchi	79.42
Income Tax Act	2011-2012	Income Tax Appellate Tribunal, Ranchi	96.32
Income Tax Act	2019-2020	CIT (A), Ranchi	52.74
Income Tax Act	2021-2022	CIT (A), Ranchi	77.53
Income Tax Act	Several Years	Income Tax TDS related demand	21.03

Out of the demand of Rs. 200.00 lakhs outstanding under Central Excise Act which is under appeal with CESTAT Kolkata, Rs. 15.00 lakhs have been deposited.

Out of the demand of Rs. 30.65 lakhs outstanding under Service Tax Act which is under appeal with CESTAT Kolkata, Rs. 3.06 lakhs have been deposited.

- (viii) There are no instances of any transactions not recorded in the Books of Account that have been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
- (b) The company has not been declared wilful defaulter by any bank or financial institutions or other lender.

Clause No. (ix) (c) to (ix)(f) are not applicable to the company.

- (x) (a) According to the information and explanations given by the management and the audit procedures performed, the company has not raised moneys raised by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given by the management and the audit procedures performed, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the company or any fraud on the company by its officers and employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of Clause (xii) (b) and (c) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 & 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given by the management and the audit procedures performed, the company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for Qtr. 1 and Qtr. 2 of the period under audit were considered by the statutory auditor. The internal audit report of Qtr. 3 and Qtr. 4 for financial year 2023-24 were not made available.
- (xv) According to the information and explanations given to us and based upon the audit procedure performed, the company has not entered into any non-cash transactions with the directors or persons connected with him.
- (xvi) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause (xvi) (b) to (d) of the Order are not applicable to the Company.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year.
- (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, the auditor's 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.
- (xx) (a) According to the information and explanations given to us, the company has transferred unspent amount in respect of other than ongoing projects to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the previous financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.



According to the information and explanations given to us, there are unspent amounts towards Corporate Social Responsibility (“CSR”) on ongoing projects requiring a transfer to a Special account within a period of thirty days of the expiry of the financial year in compliance with the provision of sub-section (6) of section 135 of the said Act. The transfer of required amounts is done within 30 days.

For K. Pandeya & Co.

Chartered Accountants

Firm Registration No: 000135C

Sd/-

CA Gopal Singh

(Partner)

Membership No: 403581

UDIN: 24403581BKEISH4098

Place : Ranchi

Date : 20.08.2024

## "Annexure B" to the Independent Auditors' Report of even date on Standalone Financial Statements of MECON LIMITED for the year 2023-24.

Report on the Directions of the Comptroller and Auditor General of India required under section 143(5) of Companies Act, 2013. Referred to in paragraph 2 of our report on other legal and Regulatory requirements section of our report.

Sl. No.	Question	Reply
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.	Yes, the Company has SAP-ERP package in place to process all the accounting transactions through IT system.  The main area covered are financial accounting, payroll, sales, GST, job progress report.  Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed/ carried outside the IT system. Accordingly, there are no implications on the integrity of the accounts.
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?	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/ write off of debts/ loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.
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 audit procedures carried out and as per the information and explanations given to us, the funds received/receivable for specific schemes from Central/ State agencies were properly accounted for/utilized as per the respective terms and conditions.

For K. Pandeya & Co.  
Chartered Accountants  
Firm Registration No: 000135C

Sd/-  
CA Gopal Singh  
(Partner)  
Membership No: 403581  
UDIN: 24403581BKEISH4098

Place : Ranchi  
Date : 20.08.2024



## **"Annexure C" to the Independent Auditors' report of even date on Standalone Financial Statements of MECON LIMITED.**

Report on 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 MECON LIMITED ("the company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of 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 statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 (3) 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 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 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, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal controls 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 K. Pandeya & Co.  
Chartered Accountants  
Firm Registration No: 000135C

Sd/-  
CA Gopal Singh  
(Partner)  
Membership No: 403581  
UDIN: 24403581BKEISH4098

Place : Ranchi  
Date : 20.08.2024



# Management's Replies to the Comments of The Comptroller & Auditor General of India

UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MECON LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

The preparation of financial statements of MECON Limited for the year ended 31 March 2024 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) of the Act are 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 20 August 2024 which supersedes their earlier Audit Report dated 29 June 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of MECON Limited for the year ended 31 March 2024 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 Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

COMMENTS	MANAGEMENT'S REPLY
<b>A. Comment on Disclosure</b>	
<p><b>1. Note 40.1 – Contingent Liabilities</b></p> <p>Jharkhand Micro and Small Enterprises Facilitation Council (JMSEFC) vide its order dated 24 August 2021 gave its judgement in favour of M/s N.P. Construction (Contractor) for an amount of ₹779.25 lakh along with interest against claim lodged by the contractor. MECON filed a SLP before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India directed (17 March 2023) that JMSEFC shall not precipitate the revenue recovery proceedings at the behest of contractor subject to MECON paying a sum of ₹700 lakh to the contractor subject to the condition that the contractor would refund the amount if MECON succeeds in the proceedings. MECON made the payment of ₹700 lakh to contractor on 01 April 2023 and accounted for this payment as Other Current Assets (Advances). However, the principal amount payable to the contractor was reduced in Contingent Liabilities. The Contingent liabilities should not have been reduced.</p> <p>This resulted in understatement of Contingent liabilities by ₹700 lakh.</p>	<p>Aggrieved by the order of JMSEFC, writ petition was filed before the Hon'ble Jharkhand High Court. However, Hon'ble Single Judge of Hon'ble Jharkhand High Court had dismissed the aforesaid writ application on the ground of existence of alternative remedy and not on the merit of the case.</p> <p>Division Bench had also dismissed the said L.P.A. vide order dated 09.02.2023 indicating that there are no grounds for interference with the order of the Hon'ble Single Judge. Orders of Hon'ble Single Judge Bench and Division Bench were based on existence of alternate remedy and not on the merit of the case.</p> <p>Further, Supreme Court vide order dated 17.03.2023 against SLP filed by MECON has directed MECON to pay ₹700.00 Lakhs to M/s NP Construction subject to an undertaking indicating therein that the said amount of ₹700.00 Lakhs would be refunded if MECON succeeds in the proceedings. Hence, the deposited amount of ₹700.00 Lakhs is refundable in nature and accordingly treated as other financial assets classified under current assets.</p>

	<p>In view of the above, the amount was not disclosed as contingent liability.</p> <p>However, the matter shall be reviewed and considered accordingly in financial year 2024-25.</p>
<p><b>For and on the behalf of Comptroller &amp; Auditor General of India</b></p> <p>Sd/- (J.S. Karape) Director General of Audit (Steel)</p> <p>Place: Ranchi Date: 30.08.2024</p>	<p><b>For and on behalf of Board of Directors</b></p> <p>Sd/- (SANJAY KUMAR VERMA) Chairman and Managing Director</p> <p>Place: Ranchi Date: 18.09.2024</p>



# Balance Sheet As at 31<sup>st</sup> March, 2024

(₹ in lakhs)

PARTICULARS	NOTE NO.	AS AT 31.03.2024		AS AT 31.03.2023	
<b>I. ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Property, Plant and Equipment	3		7,951.32		6,879.70
(b) Capital Work-in-Progress	4		157.10		1,600.78
(c) Investment Property			-		-
(d) Other Intangible Assets	5		826.24		147.16
(e) Intangible Assets under Development			-		-
(f) Financial Assets					
(i) Investments	6	11.92		11.92	
(ii) Trade Receivables	7	-		-	
(iii) Loans	8	22.67		71.20	
(iv) Other Financial Assets	9	199.28	233.87	4,206.13	4,289.25
(g) Deferred Tax Assets (Net)	10		8,724.30		10,195.13
(h) Other Non-Current Assets	11		-		876.56
<b>(2) Current Assets</b>					
(a) Inventories	12		317.26		224.40
(b) Financial Assets					
(i) Investments	13	-		-	
(ii) Trade Receivables	14	48,780.42		37,120.46	
(iii) Cash and Cash Equivalents	15	25,837.00		15,463.11	
(iv) Other Bank Balances	16	54,614.43		48,786.80	
(v) Loans	17	562.20		810.34	
(vi) Other Financial Assets	18	8,726.08	1,38,520.13	5,359.82	1,07,540.53
(c) Current Tax Assets (Net)	19		4,075.25		3,757.15
(d) Other Current Assets	20		8,653.63		9,161.23
<b>TOTAL ASSETS</b>			<b>1,69,459.10</b>		<b>1,44,671.89</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>(A) EQUITY</b>					
(a) Equity Share Capital	21	4,013.84		4,013.84	
(b) Other Equity	22	39,983.01	43,996.85	35,430.21	39,444.05
<b>(B) LIABILITIES</b>					
<b>(1) Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings		-		-	
(ia) Lease Liabilities		-		-	
(ii) Trade Payables	23				
(A) Total outstanding dues of micro enterprises and small enterprises		1,446.17		-	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		904.40		2,897.76	
(iii) Other Financial Liabilities	24	470.09	2,820.66	2,819.18	5,716.94
(b) Provisions	25		22,151.71		26,462.35
(c) Deferred Tax Liabilities (Net)	10		-		-
(d) Other Non-Current Liabilities	26		-		375.51
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	27	-		-	
(ia) Lease Liabilities		-		-	
(ii) Trade Payables	28				
(A) Total outstanding dues of micro enterprises and small enterprises		5,912.68		9,336.49	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		20,618.90		13,822.78	
(iii) Other Financial Liabilities	29	25,023.47	51,555.05	22,624.90	45,784.17
(b) Other Current Liabilities	30		43,837.00		18,771.32
(c) Provisions	31		5,097.83		8,117.55
(d) Current Tax Liabilities (Net)	19		-		-
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>1,69,459.10</b>		<b>1,44,671.89</b>

Note No.1 to 42 form an integral part of Financial Statements

In terms of our report of even date

For K. PANDEYA & CO.

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(GOPAL SINGH)**  
PARTNER

Memb.No.403581  
Firm Regn. No.000135C

Sd/-  
**(MUKESH KUMAR)**  
DIRECTOR

(FINANCE)  
DIN: 08778135

Sd/-  
**(SANJAY KUMAR VERMA)**  
CHAIRMAN AND

MANAGING DIRECTOR  
DIN: 08600373

Sd/-  
**(SUDESH KUMAR RATHI)**  
COMPANY

SECRETARY  
M. No.: A69923

Sd/-  
**(AMITAVA DAS GUPTA)**  
DY. GENERAL

MANAGER I/C  
(FINANCE)

UDIN : 24403581BKEIQM4055

Place : Ranchi

Date : 29.06.2024

# Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

PARTICULARS	NOTE NO.	Current Year	Previous Year
I. Revenue from Operations	32	1,01,282.43	88,945.92
II. Other Income	33	5,045.50	5,648.37
<b>III. TOTAL INCOME (I+II)</b>		<b>1,06,327.93</b>	<b>94,594.29</b>
<b>IV. EXPENSES:</b>			
(a) Work & Consultancy Expenses	34	56,026.52	44,582.60
(b) (Accretion)/Decretion to Jobs-in-Progress	35	796.47	687.14
(c) Employee Benefits Expenses	36	33,147.55	33,669.81
(d) Finance Costs	37	445.53	221.44
(e) Depreciation and Amortisation Expenses	38	1,096.66	745.98
(f) Other Expenses	39	9,607.35	13,387.28
<b>TOTAL EXPENSES (IV)</b>		<b>1,01,120.08</b>	<b>93,294.25</b>
<b>V. Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>5,207.85</b>	1,300.04
VI. Exceptional Items (Refer Note No.42.29)		-	2,100.76
<b>VII. Profit/(Loss) before tax (V-VI)</b>		<b>5,207.85</b>	<b>3,400.80</b>
<b>VIII. Tax Expense:</b>			
(a) Current Tax		1,285.02	1,689.17
(b) Deferred Tax		1,470.83	(1,389.30)
<b>IX. Profit/(Loss) for the year (VII-VIII)</b>		<b>2,452.00</b>	<b>3,100.93</b>
<b>X. Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit and Loss			
Re-measurement of Defined Benefit Plans		2,576.74	(2,088.41)
(b) Income tax relating to items that will not be reclassified to Profit and Loss			
Re-measurement of Defined Benefit Plans		450.20	364.89
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>5,478.94</b>	<b>1,377.41</b>
<b>XII. Earnings per equity share (Face Value 10/- each) Basic &amp; Diluted (₹)</b>	42.12	<b>6.11</b>	7.73

## Note No.1 to 42 form an integral part of Financial Statements

In terms of our report of even date

For K. PANDEYA & CO.  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(GOPAL SINGH)**  
PARTNER  
Memb.No.403581  
Firm Regn. No.000135CSd/-  
**(MUKESH KUMAR)**  
DIRECTOR  
(FINANCE)  
DIN: 08778135Sd/-  
**(SANJAY KUMAR VERMA)**  
CHAIRMAN AND  
MANAGING DIRECTOR  
DIN: 08600373Sd/-  
**(SUDESH KUMAR RATHI)**  
COMPANY  
SECRETARY  
M. No.: A69923Sd/-  
**(AMITAVA DAS GUPTA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

UDIN : 24403581BKEIQM4055

Place : Ranchi

Date : 29.06.2024



# Statement of Changes in Equity For the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

(₹ in lakhs)

### (1) Current reporting period

Particulars	Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital during the current year	Balance as at 31 <sup>st</sup> March, 2024
Equity Share Capital	4,013.84	-	4,013.84	-	4,013.84

### (2) Previous reporting period

(₹ in lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1 <sup>st</sup> April, 2022	Changes in Equity Share Capital during the current year	Balance as at 31 <sup>st</sup> March, 2023
Equity Share Capital	4,013.84	-	4,013.84	-	4,013.84

## B. OTHER EQUITY

### (1) Current reporting period

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	TOTAL
	Capital Redemption Reserve #	CSR Activity Reserve ##	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	
<b>Balance as at 1st April, 2023</b>	6,300.00	223.05	9,852.39	25,661.14	(6,606.37)	35,430.21
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at 1st April, 2023</b>	6,300.00	223.05	9,852.39	25,661.14	(6,606.37)	35,430.21
Net Profit / (Loss) during the period	-	-	-	2,452.00	-	2,452.00
Total Comprehensive Income for the current period	-	-	-	-	3,026.94	3,026.94
Dividend on Equity Shares	-	-	-	(930.28)	-	(930.28)
Transferred from Other Current Non-Financial Liabilities	-	-	-	-	-	-
Surplus not forming part of business profit	-	4.14	-	-	-	4.14
Transferred from Retained Earnings during the period	-	48.40	-	-	-	48.40
Transferred to Retained Earnings during the period	-	(124.69)	-	-	-	(124.69)
Transferred from CSR Activity Reserve during the period	-	-	-	124.69	-	124.69
Transferred to CSR Activity Reserve during the period	-	-	-	(48.40)	-	(48.40)
Transferred to General Reserve	-	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	6,300.00	150.90	9,852.39	27,259.15	(3,579.43)	39,983.01

### (2) Previous reporting period

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	TOTAL
	Capital Redemption Reserve #	CSR Activity Reserve ##	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	
<b>Balance as at 1st April, 2022</b>	6,300.00	12.28	9,852.39	22,996.89	(4,882.85)	34,278.71
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at 1st April, 2022</b>	6,300.00	12.28	9,852.39	22,996.89	(4,882.85)	34,278.71
Net Profit / (Loss) during the period	-	-	-	3,100.93	-	3,100.93
Total Comprehensive Income for the current period	-	-	-	-	(1,723.52)	(1,723.52)
Dividend on Equity Shares	-	-	-	(410.95)	-	(410.95)
Transferred from Other Current Non-Financial Liabilities	-	181.07	-	-	-	181.07
Surplus not forming part of business profit	-	7.40	-	-	-	7.40
Transferred from Retained Earnings during the period	-	83.75	-	-	-	83.75
Transferred to Retained Earnings during the period	-	(61.45)	-	-	-	(61.45)
Transferred from CSR Activity Reserve during the period	-	-	-	61.45	-	61.45
Transferred to CSR Activity Reserve during the period	-	-	-	(87.18)	-	(87.18)
Transferred to General Reserve	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	6,300.00	223.05	9,852.39	25,661.14	(6,606.37)	35,430.21

# As per provisions of the Companies Act, the Company has created Capital Redemption Reserve on redemption of 6,30,00,000 5% Non Cumulative Redeemable Preference Shares of 10/- each out of available profits. The Capital Redemption Reserve Account shall be utilised as per provisions of the Act.

## As per provisions of the Companies Act, the Company has transferred / appropriated necessary CSR amount from Surplus to CSR Activity Reserve Account which is utilised by the Company for CSR Project / Activities, etc.

#### Note No.1 to 42 form an integral part of Financial Statements

In terms of our report of even date

For K. PANDEYA & CO.

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(GOPAL SINGH)**  
PARTNER  
Memb.No.403581  
Firm Regn. No.000135C

Sd/-  
**(MUKESH KUMAR)**  
DIRECTOR (FINANCE)  
DIN: 08778135

Sd/-  
**(SANJAY KUMAR VERMA)**  
CHAIRMAN AND  
MANAGING DIRECTOR  
DIN: 08600373

Sd/-  
**(SUDESH KUMAR RATHI)**  
COMPANY SECRETARY  
M. No.: A69923

Sd/-  
**(AMITAVA DAS GUPTA)**  
DY. GENERAL MANAGER  
I/C (FINANCE)

UDIN : 24403581BKEIQM4055

Place : Ranchi

Date : 29.06.2024

# Cash Flow Statement for the year ended 31<sup>st</sup> march, 2024 (indirect method)

(₹ in lakhs)

	2023-24		2022-23	
<b>Cash Flows from Operating Activities</b>				
Net Profit/(Loss) before Taxation		5,207.85		3,400.80
Add : Adjustments for				
Depreciation & Amortisation	1,096.66		745.98	
Bad debt written off	13.02		-	
Loss on Sale/Disposal of Fixed Assets	2.22		1.65	
Provision for Bad & Doubtful Trade Receivables / ECL	2,063.46		3,567.00	
Other Provisions	186.83		2,321.92	
Finance Costs	445.53		221.44	
		3,807.72		6,857.99
Less : Adjustments for				
Write back of prov. for impairment in the value of Investment	-		500.00	
Profit on Sale of Investment in Non-Current Investment	-		2,100.76	
Profit on Sale/Disposal of Fixed Assets	1.04		0.72	
Interest Income	3,912.73		2,730.27	
Dividend Received	2.66		2.13	
Gain/(Loss) on Redemp. or Fair Valuation of Invest. in MFs	-		3.80	
		3,916.43		5,337.68
Operating Profit/(Loss) before Working Capital Changes		5,099.14		4,921.11
Add : Adjustments for				
(Increase) / Decrease in Inventories	(92.86)		(10.87)	
(Increase) / Decrease in Trade Receivables	(13,736.44)		(2,330.19)	
(Increase) / Decrease in Loans	288.74		(336.47)	
(Increase) / Decrease in Other Financial Assets	(2,435.82)		(781.68)	
(Increase) / Decrease in Tax Assets	(1,152.92)		(1,129.73)	
(Increase) / Decrease in Other Non-Financial Assets	1,384.09		(4,802.19)	
Increase / (Decrease) in Trade Payables	2,825.12		6,779.95	
Increase / (Decrease) in Financial Liabilities	49.48		(3,926.19)	
Increase / (Decrease) in Provisions	(4,753.62)		(253.51)	
Increase / (Decrease) in Non-Financial Liabilities	24,560.91		(5,066.59)	
		6,936.68		(11,857.47)
<b>Cash Generated from Operations</b>		12,035.82		(6,936.36)
Less : Taxes Paid		-		-
<b>Net Cash from Operating Activities (A)</b>		12,035.82		(6,936.36)

contd..



# Cash Flow Statement for the year ended 31<sup>st</sup> march, 2024 (indirect method) (contd..)

(₹ in lakhs)

	2023-24		2022-23	
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant & Eqpt. and Intangible Assets	(1,458.41)		(1,765.56)	
Property, Plant & Eqpt. and Intangible Asset sold/discarded	53.55		29.47	
Proceeds from Non-Current Investments	-		2,518.92	
(Increase) / Decrease in Deposits with Bank	(2,346.87)		1,809.18	
Interest Received	3,462.95		2,168.63	
Dividend Received	2.66		2.13	
Gain / (Loss) on Redemption of Investment in MFs	-		3.80	
<b>Net Cash from Investing Activities (B)</b>		<b>(286.12)</b>		<b>4,766.57</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from /(Repayment) of Current Borrowings	-		-	
Dividend including Dividend Tax Paid	(930.28)		(410.95)	
Finance Costs	(445.53)		(221.44)	
<b>Net Cash from Financing Activities (C)</b>		<b>(1,375.81)</b>		<b>(632.39)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent (A)+{B}+{C}</b>		<b>10,373.89</b>		<b>(2,802.18)</b>
<b>Cash and Cash Equivalent at the beginning</b>		<b>15,463.11</b>		<b>18,265.29</b>
<b>Cash and Cash Equivalent at the end</b>		<b>25,837.00</b>		<b>15,463.11</b>
<b>Note No.1 to 42 form an integral part of Financial Statements</b>				
<b>Cash &amp; Cash Equivalent represents</b>				
i) Cash at Bank (Current A/c & Flexi Deposit A/c) #	25,812.97		15,459.99	
ii) Cheques & Drafts on hand	-		-	
iii) Cash & Stamps on hand	24.03	25,837.00	3.12	15,463.11
# include amount held in the Separate Bank Accounts maintained on behalf of Clients	25,041.25		13,565.31	

In terms of our report of even date

For K. PANDEYA & CO.  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(GOPAL SINGH)**  
PARTNER  
Memb.No.403581  
Firm Regn. No.000135C

Sd/-  
**(MUKESH KUMAR)**  
DIRECTOR  
(FINANCE)  
DIN: 08778135

Sd/-  
**(SANJAY KUMAR VERMA)**  
CHAIRMAN AND  
MANAGING DIRECTOR  
DIN: 08600373

Sd/-  
**(SUDESH KUMAR RATHI)**  
COMPANY  
SECRETARY  
M. No.: A69923

Sd/-  
**(AMITAVA DAS GUPTA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

UDIN : 24403581BKEIQM4055

Place : Ranchi

Date : 29.06.2024

## **NOTE 1 : CORPORATE AND GENERAL INFORMATION**

MECON LIMITED (“the Company”) is India’s frontline Consultancy, Engineering & EPC Solution provider across sectors, with extensive capabilities in Steel Industry. The Company, a wholly owned Government of India Enterprise under Ministry of Steel, that was incorporated on 31<sup>st</sup> March, 1973 and is domiciled in India. The Company has its registered office situated at Vivekananda Path, Doranda, Ranchi – 834002, Jharkhand, India. The Company operates in three major segments, namely, Metals, Energy & Infrastructure.

These financial statements for the period ended 31<sup>st</sup> March, 2024 were approved for issue by the Board of Directors of the Company in their meeting held on 26<sup>th</sup> of June, 2024.

## **NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES**

### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **1.1 Statement of Compliance**

The financial statements are prepared in accordance with generally accepted accounting principles in India, Indian Accounting Standards as notified / amended from time to time, provisions of the Companies Act, 2013 / 1956 and relevant rules as applicable.

#### **1.2 Basis of Measurement**

The financial statements are prepared on a going concern basis and on accrual basis of accounting under the historical cost concept except as otherwise mentioned in the policy.

#### **1.3 Functional and Presentation Currency**

The amounts in financial statements and notes are presented in Indian Rupees (INR) (₹) which is the functional currency of the Company. All financial information presented in INR (₹) has been rounded off to the nearest INR (₹) in lakhs with two decimal places, except as otherwise stated.

#### **1.4 Use of Estimates and Management Judgment**

In preparing the financial statements in conformity with accounting principles generally accepted in India, Indian Accounting Standards as notified / amended from time to time, provisions of the Companies Act 2013 / 1956 and relevant rules as applicable, the Company makes best estimates, assumptions and judgments that may affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities as at the reporting date and the amount of revenue and expenses during the reporting period. The estimates and judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual result in some cases may differ from such estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of such estimates is recognised during the period in which the same is determined.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### **1.4.1 Revenue**

The Company recognizes revenue over time by measuring the progress towards satisfaction of the performance obligation depending upon the nature / scope, etc. of job.

##### **1.4.2 Defined Benefit Obligations**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increase and the inflation rate. However, any changes in these assumptions may have impact on the resulting calculations.



### 1.4.3 Provisions and Contingencies

Assessments undertaken in recognizing provisions and contingencies have been made as per the best judgment based on the current information as available.

### 1.5 Current and Non-Current Classification

- 1.5.1 All items of assets and liabilities in the Balance Sheet are classified as Current and Non-current as per requirement of the Companies Act, 2013, as applicable.
- 1.5.2 Normal operating cycle of the Company is considered 12 months keeping in view past experience and nature of business of the Company.
- 1.5.3 Trade Receivables (i.e. dues arising only from clients in the normal course of business) outstanding for a period exceeding six months is determined after taking into account 30 days normal credit period allowed by the Company.
- 1.5.4 Dues on account of goods purchased or services received in the normal course of business are treated as Trade Payables.

## 2. PROPERTY, PLANT AND EQUIPMENT

### 2.1 Recognition

- 2.1.1 Items of Property, Plant and Equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises any directly attributable costs net of tax / duty credit availed and includes borrowing costs which meet capitalization criteria, expenses incidental to acquisition, installation, etc. of bringing the items of Property, Plant and Equipment to the location and working condition for its intended use but excludes training, administration and overhead costs.
- 2.1.2 Deposits / payments / liabilities made towards compensation, rehabilitation, etc. relating to acquisition of land are treated as cost of land in the period in which they occur.
- 2.1.3 Items of major spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalised. Otherwise, they are classified as inventories in accordance with Ind AS – 2.
- 2.1.4 Items of Property, Plant and Equipment purchased during the year costing upto ₹1,000/- each item are charged to revenue.
- 2.1.5 The cost of any software purchased along with the computer hardware, being an integral part of the hardware, is capitalized along with the cost of the hardware.
- 2.1.6 Items of Property, Plant and Equipment held under lease are recognised as per Ind AS -116.
- 2.1.7 Advances paid towards the acquisition of Property, Plant and Equipment and outstanding at each Balance Sheet date are classified as “Capital Advances” under Non-Current Assets.

### 2.2 Subsequent Costs

- 2.2.1 Subsequent major expenditure on items of Property, Plant and Equipment fulfilling the criteria of recognition is recognised as an increase in the carrying amount of the items of Property, Plant and Equipment.
- 2.2.2 The costs of the day-to-day servicing of Property, Plant and Equipment are recognised as expenses in the Statement of Profit and Loss as and when they are incurred.

### 2.3. Derecognition

- 2.3.1 Items of Property, Plant and Equipment are derecognised on disposal or when no future economic benefits are expected from its intended use. Gains / losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognised in the Statement of Profit and Loss.
- 2.3.2 Items of Property, Plant and Equipment held for immediate sale in the present condition, their sale is highly probable and their carrying amount will be recovered principally through a sale transaction are classified separately as “Non-Current Assets Held for Sale” at the lower of their carrying amount and fair value less costs to sale.

## 2.4 Depreciation

- 2.4.1 Depreciation on Property, Plant and Equipment is commenced when it is available for intended use and is provided for under “Straight-Line Method”, considering residual value of 5% of the original cost of the Property, Plant and Equipment, over the useful life of the Property, Plant and Equipment in line with Schedule II of the Companies Act, 2013 and relevant rules as applicable.
- 2.4.2 Items of Property, Plant and Equipment costing above ₹1,000/- each item and up to ₹5,000/- each item are fully depreciated in the year of acquisition.
- 2.4.3 Property, Plant and Equipment held under lease are depreciated over its useful life as per Schedule II of the Companies Act, 2013 or over the period of lease term whichever is shorter.
- 2.4.4 Where cost of a part of an item of Property, Plant and Equipment is significant in relation to the total cost of the item and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for computation of depreciation.
- 2.4.5 Depreciation on additions to / deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposed.
- 2.4.6 Depreciation on subsequent cost of an item of Property, Plant and Equipment capitalized is charged off prospectively over the remaining useful life of main item of Property, Plant and Equipment.
- 2.4.7 Depreciation on Property, Plant and Equipment which is declared idle or retired from active use, but not classified as held for sale in accordance with Ind AS – 105, is charged off over the remaining useful life of that Property, Plant and Equipment.
- 2.4.8 Depreciation on Property, Plant and Equipment is ceased at the earlier of, the date that the asset is classified as held for sale in accordance with Ind AS – 105 and the date that the asset is de-recognised.

## 2.5 Capital Work-In-Progress

The cost of construction of Property, Plant and Equipments incurred till they are ready for their intended use are recognised as Capital Work-in-Progress.

## 3. INTANGIBLE ASSETS

### 3.1 Recognition

- 3.1.1 Expenditure incurred on acquisition of technical know-how, engineering materials, computer software (which is not an integral part of related hardware), etc. is treated as intangible asset.
- 3.1.2 Intangible assets that are acquired by the Company, which have finite useful lives, are recognised at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use but excludes training, administration and overhead costs.
- 3.1.3 Expenditure incurred on research & development activities are accounted as expenses in the Statement of Profit and Loss.

### 3.2 Derecognition

An intangible asset is derecognised when no future economic benefits are expected from their intended use or upon their disposal. Gains / losses on disposal of an item of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognised in the Statement of Profit and Loss.

### 3.3 Amortisation

- 3.3.1 Amortisation is commenced from the date the intangible asset is available for intended use.
- 3.3.2 Expenditure incurred on acquisition of software is amortised on straight line method over a period of five years or its license period, whichever is less. However, software individually costing upto ₹5,00,000/- each is fully amortised in the year of acquisition.
- 3.3.3 Expenditure incurred on acquisition of other intangible assets is amortised over a period of five years on straight line method.



#### **4. BORROWING COST**

- 4.1 Borrowing costs incurred by the Company which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.
- 4.2 Other borrowing costs are recognised as expense in the period in which these are incurred.

#### **5. IMPAIRMENT OF NON-FINANCIAL ASSETS**

The Company reviews the carrying amount of its non-financial assets, whenever circumstances indicate that the carrying amount of the asset may not be recoverable. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the assets exceeds the higher of its fair value less costs to sell and its value in use. If it is found that some of the impairment losses already recognised need to be reversed, the same are recognised in the Statement of Profit & Loss in the year of reversal.

#### **6. INVENTORIES**

- 6.1 Closing stock of stores & spares, printing & stationery items and other consumables are valued at lower of cost, on First in First Out (FIFO) basis, and net realisable value. Consumption of the above items during the reporting period is arrived at by deducting the value of physical stock in hand as on the reporting date from the aggregate value of opening stock and purchases during the reporting period.

However, spare parts, equipments, etc. are not considered as inventory when it is required to be capitalized as per Ind AS -16.

- 6.2 Provision for obsolescent / surplus / non-moving inventory is made based on best estimates of net realisable value of such inventories.

#### **7. FOREIGN CURRENCY TRANSACTION AND TRANSLATION**

- 7.1 Foreign currency transactions are translated into the functional currency of the Company using the exchange rate prevailing at the date of the transactions as applicable.
- 7.2 Monetary assets and liabilities denominated in foreign currency are translated at the functional currency rate of exchange at the reporting date as applicable. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss in the year in which it arises.
- 7.3 Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated using the exchange rate at the date of the transaction as applicable.

#### **8. REVENUE & OTHER INCOME RECOGNITION**

The Company derives its revenue from design, engineering & consultancy services, execution of EPC projects / construction contracts, project management & consultancy services and procurement services. Other income comprises interest on deposits with banks / financial institutions / employees, dividend from investments, other miscellaneous income, etc.

##### **8.1 Engineering / Consultancy Services**

- 8.1.1 Revenue from Engineering & Consultancy services rendered to the clients against contracts or Letters of Intent or Work orders or exchange of letters which stipulate lump sum fee is recognized over time using output method based on satisfaction of the performance obligation / right to receive payment. However, revenue shall be recognised upto the value of invoices raised after adjustment of down payment invoices on proportionate basis, unless stated otherwise in the contract.
- 8.1.2 Revenue from services rendered other than lump sum fee basis (including reimbursable jobs) is recognized at 100% value of the invoices raised towards satisfaction of the performance obligation.

##### **8.2 Execution of Projects / Construction Contracts**

- 8.2.1 Revenue from execution of projects / construction contracts (including sale of spares) for the clients against contracts or letters of intent or work orders or exchange of letters which stipulate fixed price is recognized over time using output method based on satisfaction of the performance obligation.

- 8.2.2 Revenue from cost plus construction contracts / deposit works with turnkey scope / procurement services is recognized to the extent of amount billed as per identified performance obligation on the basis of contracts or letters of intent or work orders or exchange of letters received from clients
- 8.3 Revenue on account of escalation, additional or extra claims etc. from clients and other miscellaneous items like project insurance claims etc. are recognized at 100% value as and when they are admitted.
- 8.4 In cases where minimum undisputed terms are agreed to by the client, revenue is accounted for on the basis of such undisputed terms.
- 8.5 In case of foreclosure of jobs, the fee mutually settled between the client and the Company is considered as 100% of value of work done and revenue is recognised accordingly under “Revenue from Consultancy Services” / “Revenue from Construction Contracts” / “Revenue from Procurement Services”. In case, the settled fee is less than the revenue already recognised, such excess revenue is charged to Statement of Profit & Loss under the head “Fees Withdrawn”.

## **8.6 Liquidated Damages**

- 8.6.1 In cases where deduction is made by the client on account of Liquidated Damages (LD) and LD arises out of contractual terms, liability for LD amount is created. Contract Fee is adjusted by the LD amount for revenue recognition and liability for LD in proportion to progress reported is created. Balance liability, if any, is created by charging off to the Statement of Profit and Loss.
- 8.6.2 Where no deduction is made by the client on account of Liquidated Damages (LD) but LD arises out of contractual terms, LD amount is adjusted from the contract fee for revenue recognition and liability for LD is created in proportion to progress reported.
- 8.6.3 Where deduction is made by the client on account of non-achievement of any specified parameter such as – PG parameter or other parameters specifically mentioned in the contract and such non-achievement is established as well as accepted by MECON, liability for LD amount is created to the extent amount is deducted by the client. Contract Fee is adjusted by the LD amount for revenue recognition and liability in proportion to progress reported is created. Balance liability, if any, is created by charging off to the Statement of Profit & Loss.

## **8.7 Other Operating Revenue**

Revenue arising from ancillary operating activities of the Company is recognised as Other Operating Revenue. Other Operating Revenue comprises generally receipts from sale of project scraps, provisions no longer required written back relating to execution of jobs, etc.

## **8.8 Other Income**

Interest income is recognised on an accrual basis. Dividend income from investments is recognised as and when the right to receive the payment is established. Income from rentals and operating leases is recognised on accrual basis in accordance with the substance of the relevant agreement. Other income also includes income from township, profit on sale / disposal of Fixed Assets and all other non-operating income.

## **9. JOB-IN-PROGRESS**

- 9.1 Where the progress has been achieved (on the basis of technical estimate) in respect of a job but claim for payment as per contract does not arise, lower of cost or value of the work done based on percentage of progress, is carried forward under Job-in-Progress. However, Job-in-Progress is recognised considering 90% value only, unless technical estimate has reached 100%.
- 9.2. Where the work is started on the basis of job allotted by LOI / any other communication from the client, but the fee is yet to be settled, the cost incurred against such jobs is carried forward under Job-in-Progress.

## **10. EMPLOYEE BENEFITS**

### **10.1 Post-Employment Benefits**

#### **10.1.1 Defined Contribution Plan**

Contributions paid / payable under defined contribution plan is recognised on the basis of actual liability on undiscounted basis in the reporting period in which they are incurred and charged to profit and loss.



### 10.1.2 Defined Benefit Plans

The Company has post-retirement defined benefit plans comprising Retirement Gift, Post-Retirement Settlement Benefits, Post-Retirement Medical Benefits, Gratuity and Provident Fund to the extent of interest liability on provident fund contribution.

Employee benefits expenses under post-retirement defined benefit plans are recognised based on the actuarial valuation as per Ind AS – 19 as at the end of the reporting period using the projected unit credit method and recognised in profit and loss. Any actuarial gains or losses are recognised in other comprehensive income in the period in which they arise.

### 10.2 Other Long-Term Employee Benefits

Other long-term employee benefits under defined benefit plans comprises of leave encashment, long-service award, leave travel concession / leave travel assistance and employee family benefit schemes.

Employee benefits under other long-term defined benefit plans are recognised based on the actuarial valuation as at the end of the reporting period using the projected unit credit method and recognised in profit and loss. Any actuarial gains or losses are recognised in profit and loss in the period in which they arise.

### 10.3 Short-Term Employee Benefits

Short-term benefits comprise of employee costs such as salaries, bonus, etc. are accrued in the year in which the associated service are rendered by employees.

### 10.4 Termination Benefits

Expenses are recognised for termination benefits (including Voluntary Retirement Compensation) in the period in which it is incurred.

## 11. MATERIAL PRIOR PERIOD ERRORS

- 11.1 Any expenditure or income which exceeds 0.5% of turnover in each case, which arise in the current period as a result of errors or omissions in the preparation of financial statements of one or more prior periods, are treated as material prior period errors.
- 11.2 Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.
- 11.3 A prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

## 12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- 12.1 Provisions for estimated liabilities on account of guarantees & warranties etc. in respect of Engineering & Consultancy Services and Turnkey Contracts are made by the Company after assessment of risk and consequential probable liabilities on case to case basis.
- 12.2 Provisions for liquidated damages are made as per accounting policy no. 8.6. Provision for penalties / fines / miscellaneous deductions is made as and when these are deducted as per terms of contract and are admitted by the Company.
- 12.3 Suppliers'/contractors' claims for price escalation, additional or extra claims, etc. are accounted for to the extent such claims are accepted by the Company.
- 12.4 Where the effect of time value of money is material, provisions are determined and maintained by discounting the expected future cash flows, wherever applicable.
- 12.5 Contingent Liabilities / Contingent Assets are disclosed on the basis of best judgment. These are reviewed at each balance sheet date and are adjusted to reflect the current estimate.

### 13. INCOME TAXES

- 13.1 Income tax expense comprises current and deferred tax. Current tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income (OCI) or equity, in which case it is recognised in OCI or equity.
- 13.2 Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.
- 13.3 Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.
- 13.4 Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity.
- 13.5 Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.
- 13.6 Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.
- 13.7 Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

### 14. LEASES

Whether a contract is, or contains, a lease is assessed at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to control signifies both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. An asset is typically identified by being explicitly specified in a contract or being implicitly specified at the time that the asset is made available for use.

#### 14.1 **Company as a Lessee**

- 14.1.1 Lease payment associated with short-term leases (leases with lease term of twelve months or less) and leases for which the underlying asset is of low value is recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term.
- 14.1.2 For leases, other than short-term leases and other than leases for which the underlying asset is of low value, Right-of-Use Asset and Lease Liability are recognised.

##### **Recognition**

Right-of-Use Asset is initially recognised at cost at the commencement date and subsequently carried at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of lease liability. The cost comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commence date of the lease plus any initial direct costs less any lease incentives.

Lease Liability is initially recognised at the present value of the unpaid lease payments discounted using the incremental borrowing rate and subsequently measured at carrying amount reflecting interest, lease payments made and re-measurement due to reassessment / lease modifications, if any. The interest element of lease liability is charged to Statement of Profit and Loss, as finance costs over the period of the lease.

##### **Depreciation**

Depreciation on Right-of-Use Asset is provided for under "Straight-Line Method" from commencement date to the end of useful life or the end of lease term, whichever is earlier.



## 14.2 Company as a Lessor

### 14.2.1 Operating Lease

Asset given on lease where the Company does not transfer substantially all the risks and rewards of ownership of the asset is classified as operating lease. Receipts under operating lease are recognised as income in the Statement of Profit and Loss on straight line basis over the lease term.

## 15. DIVIDENDS

Dividends payable to the shareholders of the Company are recognised as changes in equity in the period in which they are approved by the Board of Directors and the Shareholder's Meeting respectively.

## 16. STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared under "Indirect Method" in accordance with Ind AS – 7 "Statement of Cash Flows".

## 17. FINANCIAL INSTRUMENTS

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

### 17.1 Financial Assets

#### 17.1.1 Initial Recognition

Financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### 17.1.2 Subsequent Measurement

Subsequent to initial recognition, all financial assets are measured either at amortised cost or at fair value. Where financial assets are measured at fair value, gains and losses are recognised entirely in profit and loss (fair value through profit and loss, FVTPL).

Effective interest rate (EIR) method for measurement is used for financial assets measured at amortised cost. The effective interest rate (EIR) amortization is included in the finance income in the profit and loss.

Equity investments in subsidiaries and joint ventures are measured at cost.

#### 17.1.3 Derecognition

A financial asset is primarily derecognised when the right to receive cash flows from the financial asset has expired or the Company has transferred its rights to receive cash flows from the financial asset.

#### 17.1.4 Impairment of financial assets

##### ***Trade Receivables***

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables.

##### ***Investment in subsidiaries, joint ventures and associates***

The Company assesses whether there is any indication that these investments are be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

##### ***Other Financial Assets***

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

The losses arising from impairment are recognised in the Statement of Profit and Loss.

## **17.2 Financial Liabilities**

### **17.2.1 Initial Recognition**

Financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of financial liabilities is also adjusted.

### **17.2.2 Subsequent measurement**

Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

### **17.2.3 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## **17.3 Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.



## NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

As at 31<sup>st</sup> March, 2024

(₹ in lakhs)

Sl. No.	Particulars	COST				DEPRECIATION				NET CARRYING AMOUNT	
		As on 01.04.23	Addition/ Adjustment	Sale/ Adjustment	As on 31.03.24	As on 01.04.23	On Sale/ Adjustment	During the period	Upto 31.03.24	As on 31.03.24	As on 31.03.23
1.	Land	291.62	-	-	<b>291.62</b>	-	-	-	-	<b>291.62</b>	291.62
2.	Building – Freehold	6,676.46	82.42	39.46	<b>6,719.42</b>	2,594.30	0.04	132.66	<b>2,726.92</b>	<b>3,992.50</b>	4,082.16
	– Leasehold	185.11	-	-	<b>185.11</b>	80.79	-	0.55	<b>81.34</b>	<b>103.77</b>	104.32
3.	Road, Bridges & Culverts	369.23	69.84	-	<b>439.07</b>	313.51	-	22.54	<b>336.05</b>	<b>103.02</b>	55.72
4.	Water Supply and Sewerage	351.37	14.55	-	<b>365.92</b>	251.88	-	13.00	<b>264.88</b>	<b>101.04</b>	99.49
5.	Fences	82.21	-	-	<b>82.21</b>	78.09	(0.01)	-	<b>78.10</b>	<b>4.11</b>	4.12
6.	Plant & Equipments	677.69	143.13	2.60	<b>818.22</b>	412.59	0.08	33.28	<b>445.79</b>	<b>372.43</b>	265.10
7.	Furniture & Fixtures	1,406.15	174.77	0.02	<b>1,580.90</b>	1,154.86	0.01	50.56	<b>1,205.41</b>	<b>375.49</b>	251.29
8.	Motor Vehicles	119.91	-	-	<b>119.91</b>	57.16	-	13.24	<b>70.40</b>	<b>49.51</b>	62.75
9.	Office Equipments	1,170.55	86.90	4.11	<b>1,253.34</b>	972.76	2.00	41.41	<b>1,012.17</b>	<b>241.17</b>	197.79
10.	Comp. Hardware & Network	3,327.45	1,284.42	2.40	<b>4,609.47</b>	2,733.57	1.40	290.04	<b>3,022.21</b>	<b>1,587.26</b>	593.88
11.	Laboratory Equipments	638.87	-	-	<b>638.87</b>	536.30	(0.01)	22.13	<b>558.44</b>	<b>80.43</b>	102.57
12.	Electrical Installation	2,749.18	41.45	36.03	<b>2,754.60</b>	1,988.92	26.38	151.15	<b>2,113.69</b>	<b>640.91</b>	760.26
13.	Misc. Articles including Library	225.63	-	-	<b>225.63</b>	217.00	-	0.57	<b>217.57</b>	<b>8.06</b>	8.63
	<b>TOTAL</b>	<b>18,271.43</b>	<b>1,897.48</b>	<b>84.62</b>	<b>20,084.29</b>	<b>11,391.73</b>	<b>29.89</b>	<b>771.13</b>	<b>12,132.97</b>	<b>7,951.32</b>	<b>6,879.70</b>

As at 31<sup>st</sup> March, 2023

(₹ in lakhs)

Sl. No.	Particulars	COST				DEPRECIATION				NET CARRYING AMOUNT	
		As on 01.04.22	Addition/ Adjustment	Sale/ Adjustment	As on 31.03.23	As on 01.04.22	On Sale/ Adjustment	During the period	Upto 31.03.23	As on 31.03.22	As on 31.03.22
1.	Land	291.62	-	-	<b>291.62</b>	-	-	-	-	<b>291.62</b>	291.62
2.	Building – Freehold	6,552.84	151.28	27.66	<b>6,676.46</b>	2,497.34	20.27	117.23	<b>2,594.30</b>	<b>4,082.16</b>	4,055.50
	– Leasehold	185.11	-	-	<b>185.11</b>	77.48	-	3.31	<b>80.79</b>	<b>104.32</b>	107.63
3.	Road, Bridges & Culverts	366.15	3.08	-	<b>369.23</b>	303.83	(0.01)	9.67	<b>313.51</b>	<b>55.72</b>	62.32
4.	Water Supply and Sewerage	346.43	4.94	-	<b>351.37</b>	239.07	0.01	12.82	<b>251.88</b>	<b>99.49</b>	107.36
5.	Fences	82.21	-	-	<b>82.21</b>	78.09	-	-	<b>78.09</b>	<b>4.12</b>	4.12
6.	Plant & Equipments	639.64	38.05	-	<b>677.69</b>	382.23	-	30.36	<b>412.59</b>	<b>265.10</b>	257.41
7.	Furniture & Fixtures	1,326.90	83.68	4.43	<b>1,406.15</b>	1,111.16	4.30	48.00	<b>1,154.86</b>	<b>251.29</b>	215.74
8.	Motor Vehicles	119.91	-	-	<b>119.91</b>	43.88	-	13.28	<b>57.16</b>	<b>62.75</b>	76.03
9.	Office Equipments	1,071.67	134.92	36.04	<b>1,170.55</b>	979.80	32.76	25.72	<b>972.76</b>	<b>197.79</b>	91.87
10.	Comp. Hardware & Network	3,166.00	180.67	19.22	<b>3,327.45</b>	2,523.00	18.24	228.81	<b>2,733.57</b>	<b>593.88</b>	643.00
11.	Laboratory Equipments	616.98	21.89	-	<b>638.87</b>	513.14	-	23.16	<b>536.30</b>	<b>102.57</b>	103.84
12.	Electrical Installation	2,626.03	147.17	24.02	<b>2,749.18</b>	1,829.26	5.39	165.05	<b>1,988.92</b>	<b>760.26</b>	796.77
13.	Misc. Articles including Library	225.57	0.06	-	<b>225.63</b>	215.25	-	1.75	<b>217.00</b>	<b>8.63</b>	10.32
	<b>TOTAL</b>	<b>17,617.06</b>	<b>765.74</b>	<b>111.37</b>	<b>18,271.43</b>	<b>10,793.53</b>	<b>80.96</b>	<b>679.16</b>	<b>11,391.73</b>	<b>6,879.70</b>	<b>6,823.53</b>

**A) LAND**

- (i) Under Section 7 of Public Sector Iron & Steel Companies (Restructuring) and Miscellaneous Provisions Act, 1978, land measuring 118.95 acres for residential colony acquired by the Government of India for the erstwhile Hindustan Steel Limited (HSL) was transferred in favour of MECON Limited by the Gazette Notification dated 30.4.1978. Deed of conveyance for land measuring 118.53 acres has been executed by the Government of Jharkhand in favour of MECON Limited on 1st August, 2016. Balance land measuring 0.42 acres has been released and handed over to Government of Jharkhand for road purpose. Out of the land measuring 118.53 acres executed in favour of MECON Limited, 21.06 acres are in the possession of Steel Authority of India Limited (SAIL), Research & Development Centre for Iron & Steel (RDCIS), Ranchi in 1980-81 for which transfer deed is still pending. The amount received / receivable for such transfer has been taken in the accounts.
- (ii) Under Section 7 of Public Sector Iron & Steel Companies (Restructuring) and Miscellaneous Provisions Act, 1978, land measuring 10.25 acres for the administrative building acquired by the Government of India for the erstwhile Hindustan Steel Limited (HSL) was transferred in favour of MECON Limited by the Gazette Notification dated 30.4.1978. Deed of conveyance in this respect has not yet been executed by the Government of Jharkhand in favour of MECON Limited. Government of Jharkhand has been approached for deed of conveyance in favour of MECON Limited and the matter is in progress.
- (iii) Deed of conveyance has been executed in favour of MECON Limited by Government of Jharkhand on 1<sup>st</sup> August, 2016 for land measuring 103.33 acres for township at Ranchi acquired from Govt. of Bihar by the Company in 1978-79. Out of the land measuring 103.33 acres, transfer deed in favour of Steel Authority of India Limited (SAIL), Research & Development Centre for Iron & Steel (RDCIS), Ranchi for 7.43 acres of land and in favour of Steel Authority of India Limited (SAIL), Management Training Institute (MTI), Ranchi for 5.42 acres of land is pending. The amount received / receivable for such transfer has been taken in the accounts.
- (iv) Deed of conveyance has been executed in favour of MECON Limited by Government of Jharkhand on 1st August, 2016 for land measuring 1.50 acres of land for township at Ranchi which was acquired from Govt. of Bihar by the Company in 1983-84.
- (v) Out of 223.36 acres of land in possession of the Company in township at Ranchi, 0.856 acres of land is under unauthorised occupation.

**B) BUILDINGS**

- (i) Office Space / Building at SCOPE Minar, Laxmi Nagar, New Delhi, Gross Block ₹1,193.30 lakhs (Previous Year ₹1,193.30 lakhs) have been acquired from SCOPE on self financing / contribution basis without ownership title deed, the cost of acquisition of Office Space / Building has been considered as Building and depreciation thereon has been provided at the rate as applicable for Building.
- (ii) Residential buildings at Rourkela, Gross block ₹5.12 lakhs (Previous year ₹5.12 lakhs) and at Durgapur, Gross block ₹8.62 lakhs (Previous year ₹8.62 lakhs) have been constructed on the land belonging to SAIL for which the depreciation is being charged at the rate applicable for Residential Building.
- (iii) Pending determination of the proportionate value of the land in respect of Buildings acquired at New Delhi, Gaziabad, Navi Mumbai, Bangalore (Austin Town & Rajiv Nagar), Kolkata and Jagdalpur, the cost of acquisition of flats has been considered as Building and depreciation thereon has been provided at the rate as applicable for Residential Building.

**C)** Assets purchased during the year costing above ₹1,000/- each and upto ₹5,000/- each are fully depreciated in the year of acquisition (Refer Note 2 Sl.No. 2.4.2) w.e.f. 1993-94.

**D)** 10 nos. (Previous Year 10 nos.) residential quarters are under unauthorised occupation.

- E)**
  - a) BUILDING includes reversal of provision for Internal Partition & Temporary Structures of Gross Block ₹39.46 lakhs (Previous Year NIL) along with Depreciation of ₹0.03 lakhs (Previous Year NIL)
  - b) ELECTRICAL INSTALLATIONS includes reversal of provision of Gross Block ₹8.28 lakhs (Previous Year NIL).



## NOTE 4 - CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Sl. No.	Particulars	Opening Balance as on 01.04.23	Additions/ Adjustments	Total	Capitalised/ Adjustments	Balance	
						As on 31.03.24	As on 31.03.23
1.	Cables for Installation of Energy Meter, etc. at Township, Ranchi, Jharkhand	41.19	-	41.19	-	41.19	41.19
2.	Construction of Security Post at Township, Ranchi, Jharkhand	24.54	(1.42)	23.12	23.12	-	24.54
3.	Construction of Road	62.13	7.71	69.84	69.84	-	62.13
4.	Surface Aerator	-	24.54	24.54	-	24.54	-
5.	Augmentation of Power Distribution System	-	30.87	30.87	-	30.87	-
6.	Upgradation of Office Building at Mumbai	11.61	25.30	36.91	36.91	-	11.61
7.	Renovation of New Delhi Office	-	26.88	26.88	-	26.88	-
8.	Installation of MS Office	140.14	-	140.14	140.14	-	140.14
9.	Installation of ERP	1,065.99	245.27	1,311.26	1,311.26	-	1,065.99
10.	Campus Wide Wifi Networking at Head Office, Ranchi	253.34	116.63	369.97	369.97	-	253.34
11.	Installation of AC & Voltage Stabiliser	1.84	-	1.84	1.84	-	1.84
12.	Server and Desktop for 3D Software	-	33.62	33.62	-	33.62	-
	<b>TOTAL</b>	<b>1,600.78</b>	<b>509.40</b>	<b>2,110.18</b>	<b>1,953.08</b>	<b>157.10</b>	<b>1,600.78</b>

- i). Construction of Security Post at Township, Ranchi has been capitalised and transferred under Buildings in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹23.12 Lakhs.
- ii). Construction of Road at Township, Ranchi has been capitalised and transferred under Roads, Bridges & Culverts in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹69.84 Lakhs.
- iii). Upgradation of Office Building at Mumbai has been capitalised and transferred under Buildings in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹36.91 Lakhs.
- iv). Installation of MS Office has been capitalised and transferred under Computer Software in NOTE 5 - "OTHER INTANGIBLE ASSETS" ₹140.14 Lakhs.
- v). Installation of ERP Hardware has been capitalised and transferred under Computer Hardware & Networks in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹479.63 Lakhs.
- vi). Installation of ERP Software has been capitalised and transferred under Computer Software in NOTE 5 - "OTHER INTANGIBLE ASSETS" ₹831.63 Lakhs.
- vii). Installation of campus wide wifi networking has been capitalised and transferred under Computer Hardware & Networks in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹369.97 Lakhs.
- viii). Installation of AC & Voltage Stabiliser has been capitalised and transferred under Electrical Installations in NOTE 3 - "PROPERTY, PLANT AND EQUIPMENTS" ₹1.84 Lakhs.

**NOTE 5 - OTHER INTANGIBLE ASSETS**As at 31<sup>st</sup> March, 2024

(₹ in lakhs)

Sl. No.	Particulars	COST			AMORTISATION			NET CARRYING AMOUNT			
		As on 01.04.23	Addition/ Adjustment	Sale/ Adjustment	As on 31.03.24	As on 01.04.23	On Sale/ Adjustment	During the period	Upto 31.03.24	As on 31.03.24	As on 31.03.23
1.	Computer Software	1,857.45	1,004.61	-	2,862.06	1,710.29	-	325.53	2,035.82	826.24	147.16
	<b>TOTAL</b>	<b>1,857.45</b>	<b>1,004.61</b>	<b>-</b>	<b>2,862.06</b>	<b>1,710.29</b>	<b>-</b>	<b>325.53</b>	<b>2,035.82</b>	<b>826.24</b>	<b>147.16</b>

As at 31<sup>st</sup> March, 2023

(₹ in lakhs)

Sl. No.	Particulars	COST			AMORTISATION			NET CARRYING AMOUNT			
		As on 01.04.22	Addition/ Adjustment	Sale/ Adjustment	As on 31.03.23	As on 01.04.22	On Sale/ Adjustment	During the period	Upto 31.03.23	As on 31.03.23	As on 31.03.22
1.	Computer Software	1,735.11	122.34	-	1,857.45	1,643.48	0.01	66.82	1,710.29	147.16	91.63
	<b>TOTAL</b>	<b>1,735.11</b>	<b>122.34</b>	<b>-</b>	<b>1,857.45</b>	<b>1,643.48</b>	<b>0.01</b>	<b>66.82</b>	<b>1,710.29</b>	<b>147.16</b>	<b>91.63</b>

Intangible Assets acquired during the year is amortised on straight line method over a period of five years or its license period, whichever is less. However, software individually costing upto ₹5,00,000/- each is fully amortised in the year of acquisition (Refer Note 2 Sl. No. 3.3) w.e.f 2007-08.



## NOTE 6 - INVESTMENTS (NON-CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(a)	<b>Trade Investment - at Cost (Unquoted)</b>				
	<b>Investment in Equity Instruments</b>				
	<b>Joint Venture</b>				
	5000 Equity Shares of Naira 10 each fully paid up being 50% of paid up share capital of M/s Metallurgical & Engineering Consultants (Nigeria) Limited, a Company set up in Nigeria jointly by this Company with two Nigerian Government Companies and Nigerian Citizens	7.60		7.60	
	Less : Provision for impairment in the value of investment	7.60	-	7.60	-
(b)	<b>Other Investment - at Cost (Unquoted)</b>				
	<b>Investment in Equity Instruments</b>				
	<b>1) Others</b>				
	106,383 Equity Shares of ₹10/- each fully paid-up of "Global Procurement Consultants Limited". (Out of the above, 6,383 Equity Shares of ₹10/- each fully paid-up acquired at a premium of ₹20/- per share subsequently.)		11.92		11.92
	<b>TOTAL</b>		<b>11.92</b>		<b>11.92</b>

a)	Aggregate amount of Quoted Investments	<b>NIL</b>	<b>NIL</b>
b)	Aggregate amount of Unquoted Investments	<b>19.52</b>	<b>19.52</b>
c)	Aggregate provision for impairment of in the value of investment	<b>7.60</b>	<b>7.60</b>

## NOTE 7 - TRADE RECEIVABLES (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
a) Considered Good – Secured	-	-
b) Considered Good – Unsecured	-	-
c) Significant increase in Credit Risk	-	-
d) Credit Impaired	-	13.00
	-	13.00
Less : Provision for Bad and Doubtful Trade Receivables / Expected Credit Loss	-	13.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

NIL

NIL

## Trade Receivables ageing schedule

(₹ in lakhs)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i)	Undisputed Trade Receivables – considered good <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	13.00	13.00
(iv)	Disputed Trade Receivables – considered good <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired <b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-

Figures in italics relates to previous year

## NOTE 8 - LOANS (NON-CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(a)	<b>Loans to Related Parties</b>		-		-
(b)	<b>Others</b>				
	(i) Advance to Employees ##		-		-
	(ii) Interest Receivable on Advance to Employees ##		-		0.05
	(iii) Claims Recoverable				
	Considered Good – Secured	-		-	
	Considered Good – Unsecured	22.67		71.15	
	Significant increase in Credit Risk	-		-	
	Credit Impaired	-		25.43	
		22.67		96.58	
	Less : Provision for Claims Recoverable	-	22.67	25.43	71.15
	<b>TOTAL</b>		<b>22.67</b>		<b>71.20</b>

## Considered Good – Unsecured



## NOTE 9 - OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a)</b>	<b>Security Deposits</b>				
	(i) Government Authorities ##		172.13		5.37
	(ii) Others				
	Considered Good – Secured		-		-
	Considered Good – Unsecured	26.11		1,090.10	
	Significant increase in Credit Risk		-		-
	Credit Impaired		-	88.72	
		26.11		1,178.82	
	Less : Provision for doubtful deposits		26.11	88.72	1,090.10
<b>(b)</b>	<b>Bank Balances</b>		1.00		2,901.00
	Fixed deposits with more than 3 months maturity which are due for maturity beyond 12 months from balance sheet date				
	➤ Bank Balances include amounts held as security deposit	1.00		2,901.00	
<b>(c)</b>	<b>Interest accrued but not due</b>		0.04		131.02
<b>(d)</b>	<b>Receivables (including Interest thereon) from sale of Non-Current Investment</b>		-		78.64
	<b>TOTAL</b>		<b>199.28</b>		<b>4,206.13</b>

## NOTE 10 - DEFERRED TAX ASSETS (NET)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a)</b>	<b>Deferred Tax Assets</b>				
	(i) Provision for Doubtful Trade Receivables	6,025.32		4,541.93	
	(ii) Provision for Gratuity	1,162.31		1,449.91	
	(iii) Provision for ECL	218.70		319.48	
	(iv) Provision for LD Recovered	-		2.77	
	(v) Provision for Claims Recoverable	777.36		892.31	
	(vi) Provision for Doubtful Advances to Suppliers	126.21		126.21	
	(vii) Provision for Doubtful Deposit with Others	28.51		28.51	
	(viii) Provision for EMD/SD	269.11		268.12	
	(ix) Provision for Misc. Deductions	-		1,347.35	
	(x) Provision for Disputed Cases	76.56		93.88	
	(xi) Provision for Service Tax Receivable	-		501.36	
	(xii) Provision for Stagnant Jobs	889.76		875.07	
	(xiii) Provision for Output VAT Receivable	-		169.66	
	(xiv) Provision for Doubtful GST Receivable	-		312.57	
	(xv) Prov. for Doubtful GST TDS Receivable	1.81		2.22	
	(xvi) Prov. for Doubtful STDS Certificate Receivable	40.86		40.86	
	(xvii) Prov. for Doubtful STDS Certificate Received	70.54		70.54	
	(xviii) Prov. for Payment of Sales Tax under Dispute	106.23		106.23	
	(xix) Provision for Bonus	1.98		2.75	
	(xx) Other Provisions	17.40	9,812.66	-	11,151.73
<b>(b)</b>	<b>Deferred Tax Liability</b>				
	(i) Diff. between book and tax depreciation	923.59		791.83	
	(ii) Sales Tax Paid	164.77	1,088.36	164.77	956.60
	<b>NET DEFERRED TAX ASSET / (LIABILITY) (a) - (b)</b>		<b>8,724.30</b>		<b>10,195.13</b>

**NOTE 11 - OTHER NON-CURRENT ASSETS**

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(a)	<b>Capital Advances</b>		-		-
(b)	<b>Advances other than Capital Advances</b>				
	(i) Security Deposits		-		-
	(ii) Advances to related parties		-		-
	(iii) Other Advances				
	- Advance to Suppliers and Sub-Contractors				
	Considered Good – Secured #	-		762.96	
	Considered Good – Unsecured	-		-	
	Considered Doubtful	-		361.12	
				1,124.08	
	Less : Provision for doubtful advance to Suppliers and Sub-Contractors	-	-	361.12	762.96
	- Advance to Others ##		-		96.68
	- Prepaid Expenses ##		-		6.92
	- Payment against Sales Tax / VAT ##		-		10.00
(c)	<b>Others</b>				
	- EMD, SD, PBG and Advance Amount in dispute				
	Considered Good – Unsecured	-		-	
	Considered Doubtful	-		700.76	
				700.76	
	Less : Provision for doubtful EMD, SD, PBG and Advance Amount in dispute	-	-	700.76	-
	<b>TOTAL</b>		-		<b>876.56</b>

## Considered Good – Unsecured

# Secured against bank guarantee / materials supplied / work done, as the case may be

**NOTE 12 - INVENTORIES**

(₹ in lakhs)

Particulars		AS AT 31.03.2024	AS AT 31.03.2023
(a)	<b>Stores and Spares</b>	305.69	132.92
(b)	<b>Printing and Stationery</b>	11.57	91.48
	<i>Valued as per Accounting Policy (NOTE 2, Sl.No.6)</i>		
	<b>TOTAL</b>	<b>317.26</b>	<b>224.40</b>



## NOTE 13 - INVESTMENTS (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2024		AS AT 31.03.2023	
	No of Units	Amount	No of Units	Amount
<b>Investment in Mutual Funds (At FVTPL)</b>				
Investment in Public Sector Debt Mutual Fund (Unquoted)		-		-
<b>TOTAL</b>		-		-

a) Aggregate amount of Quoted Investments	<b>NIL</b>	NIL
b) Aggregate amount of Unquoted Investments	-	-
c) Aggregate provision for impairment of in the value of investment	<b>NIL</b>	NIL

## NOTE 14 - TRADE RECEIVABLES (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
a) Considered Good – Secured	-	-
b) Considered Good – Unsecured	<b>48,780.42</b>	37,120.46
c) Significant increase in Credit Risk	<b>625.85</b>	914.26
d) Credit Impaired	<b>25,488.74</b>	28,988.66
	<b>74,895.01</b>	67,023.38
Less : Provision for Bad and Doubtful Trade Receivables / Expected Credit Loss	<b>17,868.65</b>	19,604.31
Less : Other Liabilities against Trade Receivables	<b>8,245.94</b>	10,298.61
<b>TOTAL</b>	<b>48,780.42</b>	<b>37,120.46</b>

Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

**NIL** NIL

## Trade Receivables ageing schedule

(₹ in lakhs)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables – considered good						
	<b>as at 31.03.2024</b>	<b>38,742.63</b>	<b>2,252.71</b>	<b>3,004.81</b>	<b>4,580.27</b>	<b>200.00</b>	<b>48,780.42</b>
	<i>as at 31.03.2023</i>	<i>24,931.84</i>	<i>3,110.63</i>	<i>6,470.35</i>	<i>2,407.64</i>	<i>200.00</i>	<i>37,120.46</i>
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk						
	<b>as at 31.03.2024</b>	<b>376.98</b>	<b>45.60</b>	<b>79.78</b>	<b>123.49</b>	-	<b>625.85</b>
	<i>as at 31.03.2023</i>	<i>571.53</i>	<i>99.72</i>	<i>166.49</i>	<i>76.52</i>	-	<i>914.26</i>
(iii)	Undisputed Trade Receivables – credit impaired						
	<b>as at 31.03.2024</b>	<b>79.64</b>	<b>27.55</b>	<b>984.35</b>	<b>1,594.70</b>	<b>22,802.50</b>	<b>25,488.74</b>
	<i>as at 31.03.2023</i>	<i>241.25</i>	<i>1,281.48</i>	<i>862.51</i>	<i>962.52</i>	<i>25,640.90</i>	<i>28,988.66</i>
(iv)	Disputed Trade Receivables – considered good						
	<b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk						
	<b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired						
	<b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-

Figures in italics relates to previous year

Liability already exist under Sundry Creditors against Undisputed Trade Receivables – considered good amounting to ₹200.00 lakhs (Refer Note 29).

## NOTE 15 - CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
i) Cash at Bank (Current & Flexi Deposit A/cs)	<b>25,812.97</b>	<b>15,459.99</b>
ii) Cheques & Drafts on hand	-	-
iii) Cash & Stamps on hand	<b>24.03</b>	<b>3.12</b>
<b>TOTAL</b>	<b>25,837.00</b>	<b>15,463.11</b>
➤ Cash at Bank (Current & Flexi Deposit A/cs) include amounts held in the Separate Bank Accounts maintained on behalf of Clients.	<b>25,041.25</b>	<b>13,565.31</b>



## NOTE 16 - OTHER BANK BALANCES

(₹ in lakhs)

Particulars		AS AT 31.03.2024	AS AT 31.03.2023
(a)	Fixed Deposits with more than 3 months maturity which are due for maturity within 12 months from balance sheet date	52,980.09	47,733.22
(b)	Interest accrued but not due on Fixed Deposits	1,634.34	1,053.58
	<b>TOTAL</b>	<b>54,614.43</b>	<b>48,786.80</b>
	➤ Other Bank Balances include amounts earmarked / available for CSR	150.90	223.05
	➤ Other Bank Balances include amounts held as margin money & security under lien against borrowings, etc.	22,556.89	23,441.89
	➤ Other Bank Balances include amount kept as separate interest bearing deposit account by order of Hon'ble Jharkhand High Court.	139.74	-
	➤ Other Bank Balances include Deposits with more than 12 months maturity	-	-

## NOTE 17 - LOANS (CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(a)	<b>Loans to Related Parties</b>		-		-
(b)	<b>Others</b>				
	(i) Advance to Employees				
	Considered Good – Secured ##	-		-	
	Considered Good – Unsecured	271.55		206.02	
	Significant increase in Credit Risk	-		-	
	Credit Impaired	-	271.55	-	206.02
	(ii) Interest Receivable on Advance to Employees ##		-		0.40
	(iii) Claims Recoverable				
	Considered Good – Secured	-		-	
	Considered Good – Unsecured	290.65		603.92	
	Significant increase in Credit Risk	-		-	
	Credit Impaired	2,224.58		2,531.15	
		2,515.23		3,135.07	
	Less : Provision for Doubtful Claims Recoverable	2,224.58	290.65	2,531.15	603.92
	<b>TOTAL</b>		<b>562.20</b>		<b>810.34</b>

## Secured against buildings and vehicles

**NOTE 18 - OTHER FINANCIAL ASSETS (CURRENT)**

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a)</b>	<b>Security Deposits</b>				
	Deposit with Others				
	Considered Good – Secured	–		–	
	Considered Good – Unsecured	2,264.43		186.96	
	Significant increase in Credit Risk	–		–	
	Credit Impaired	851.72		59.40	
		3,116.15		246.36	
	Less : Provision for Doubtful Deposit with Others	851.72	<b>2,264.43</b>	59.40	186.96
<b>(b)</b>	<b>Jobs-in-Progress</b>				
	– <i>Consultancy Services</i>	5,694.01		6,490.48	
	Less : Provision for Stagnant Jobs-in-Progress	2,546.25		2,504.21	
		3,147.76		3,986.27	
	– Construction / EPC Contracts	1,393.19	<b>4,540.95</b>	–	3,986.27
<b>(c)</b>	<b>Other Receivables</b>		<b>1,920.70</b>		1,186.59
	<b>TOTAL</b>		<b>8,726.08</b>		<b>5,359.82</b>

**NOTE 19 - CURRENT TAX ASSETS (NET)**

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
Payment against Income Taxes (Net)	<b>4,075.25</b>	3,757.15
<b>CURRENT TAX ASSETS / (LIABILITIES)</b>	<b>4,075.25</b>	<b>3,757.15</b>



## NOTE 20 - OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a)</b>	<b>Advances other than capital advances</b>				
	(i) Security Deposits		-		-
	(ii) Advances to related parties		-		-
	(iii) Other Advances				
	- Advance to Suppliers and Sub-Contractors				
	Considered Good – Secured #	739.40		1,097.27	
	Considered Good – Unsecured	-		10.89	
	Considered Doubtful	361.24		0.06	
		1,100.64		1,108.22	
	Less : Provision for doubtful advance to Suppliers and Sub-Contractors	361.24	<b>739.40</b>	0.06	1,108.16
	- Advance to Others & Canteen *		<b>135.41</b>		23.65
	- Prepaid Expenses *		<b>273.52</b>		61.27
	- Payment against Sales Tax / VAT (Net)*		<b>470.04</b>		470.04
	- Service Tax Receivable				
	Considered Good – Unsecured	25.80		25.78	
	Considered Doubtful	-		-	
		25.80		25.78	
	Less : Provision for Service Tax Receivable	-	<b>25.80</b>	-	25.78
	- GST Receivable				
	Considered Good – Unsecured	3,028.67		3,338.15	
	Considered Doubtful	5.17		6.53	
		3,033.84		3,344.68	
	Less : Provision for GST Receivable	5.17	<b>3,028.67</b>	6.53	3,338.15
	- Receivable against Deposit Works		<b>3,980.79</b>		4,134.18
<b>(b)</b>	<b>Others</b>		-		-
	<b>TOTAL</b>		<b>8,653.63</b>		9,161.23

\* Considered good – Unsecured

# Secured against bank guarantee / materials supplied / work done, as the case may be

**NOTE 21 : EQUITY SHARE CAPITAL**

(₹ in lakhs)

	AS AT 31.03.2024	AS AT 31.03.2023
<b>AUTHORISED#</b>		
<b>Equity Shares</b>		
4,10,00,000 (Previous year 4,10,00,000) Equity Shares of 10/- each	4,100.00	4,100.00
	<b>4,100.00</b>	<b>4,100.00</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
<b>Equity Shares</b>		
<b>4,01,38,360 ( Previous year 4,01,38,360) Equity Shares of 10/- each with voting rights.</b>	<b>4,013.84</b>	<b>4,013.84</b>
a) 4,01,38,120 equity shares are held as fully paid-up by the President of India.		
b) 120 equity shares are held as fully paid-up by the Govt. Director of the company.		
c) 120 equity shares are held as fully paid-up by the Chairman and Managing Director of the company.		
Out of the total shares,		
➤ 20,14,800 equity shares are allotted as fully paid-up for consideration other than cash, pursuant to the Government of India, Ministry of Steel & Mines letter No. 6(100)/78-SAIL(1) dated 15 <sup>th</sup> May, 1979 as consideration for net book value of immovable assets of M/s Hindustan Steel Limited at Ranchi transferred to the Company.		
➤ 4,03,060 equity shares are allotted as fully paid-up Bonus Shares during 1996-97		
➤ 77,20,000 equity shares are allotted as fully paid-up against conversion of Govt. of India Loan and Interest on Loan vide Government of India, Ministry of Steel Order No.4(46)/2004-HSM dated 30 <sup>th</sup> March,2007		
<b>TOTAL</b>	<b>4,013.84</b>	<b>4,013.84</b>

# The Authorised Share Capital of the Company is ₹104,00,00,000/- (Previous Year ₹104,00,00,000/-) divided into 4,10,00,000 (Previous Year 4,10,00,000) Equity Shares of ₹10/- (Previous Year ₹10/-) each and 6,30,00,000 (Previous year 6,30,00,000) 5% Non-Cumulative Redeemable Preference Shares of ₹10/- (Previous Year ₹10/-) each. Authorised Share Capital of 5% Non-Cumulative Redeemable Preference Shares is not considered above in accordance with the requirement of Ind AS.

**RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING**

	AS AT 31.03.2024	AS AT 31.03.2023
<b>Equity Shares</b>		
Number of Shares Outstanding at the beginning	4,01,38,360	4,01,38,360
Number of Shares Issued during the period	-	-
Number of Shares Bought Back during the period	-	-
Number of Shares Outstanding at the end	<b>4,01,38,360</b>	<b>4,01,38,360</b>



## NOTE 22 : OTHER EQUITY

(₹ in lakhs)

	AS AT 31.03.2024		AS AT 31.03.2023	
<b>A. RESERVES AND SURPLUS</b>				
<b>Capital Redemption Reserve #</b>				
As per last Balance Sheet		6,300.00		6,300.00
<b>CSR Activity Reserve ##</b>				
As per last Balance Sheet	223.05		12.28	
Add : Transferred from Other Current Non-Financial Liabilities	-		181.07	
Add : Surplus not forming part of business profit	4.14		7.40	
Add : Transferred from Surplus	48.40		83.75	
Less : Transferred to Surplus	124.69	150.90	61.45	223.05
<b>General Reserve ###</b>				
As per last Balance Sheet	9,852.39		9,852.39	
Add : Transferred from Surplus	-	9,852.39	-	9,852.39
<b>Retained Earnings ####</b>				
As per last Balance Sheet	25,661.14		22,996.89	
Add : Net Profit / (Loss) from Statement of Profit and Loss	2,452.00		3,100.93	
Add : Transferred from CSR Activity Reserve	124.69		61.45	
<b>Amount available for appropriation</b>	<b>28,237.83</b>		<b>26,159.27</b>	
Less : Transferred to CSR Activity Reserve	48.40		87.18	
Less : Dividend on Equity Shares	930.28		410.95	
Less : Transferred to General Reserve	-	27,259.15	-	25,661.14
<b>B. OTHER COMPREHENSIVE INCOME*</b>				
As per last Balance Sheet	(6,606.37)		(4,882.85)	
Add : Other Comprehensive Income from Statement of Profit and Loss	3,026.94	(3,579.43)	(1,723.52)	(6,606.37)
<b>TOTAL</b>		<b>39,983.01</b>		<b>35,430.21</b>

# As per provisions of the Companies Act, the Company has created Capital Redemption Reserve on redemption of 6,30,00,000 5% Non Cumulative Redeemable Preference Shares of 10/- each out of available profits. The Capital Redemption Reserve Account shall be utilised as per provisions of the Act.

## As per provisions of the Companies Act, the Company has transferred / appropriated necessary CSR amount from Surplus to CSR Activity Reserve Account which is utilised by the Company for CSR Project / Activities, etc.

### As per provisions of the Companies Act, the General Reserve is created out of the accumulated profits of the Company.

#### Retained Earnings represent the amount of accumulated earnings of the Company after considering Dividend including Dividend Distribution Tax paid during the year, net adjustment due to CSR Activity, net cumulative impact of transition to adoption of Ind AS 115 and the profits made by the Company during the year.

\* As per provisions of the Companies Act, Other Comprehensive Income represents balance arising on account of gains / losses booked on Re-measurement of Net Defined Benefit Plans.

**NOTE 23 - TRADE PAYABLES (NON-CURRENT)**

(₹ in lakhs)

Particulars	AS AT 31.03.2024		AS AT 31.03.2023	
<b>Trade Payables</b>				
i) Dues to Micro & Small Enterprises (Refer Note 42.18)				
- due but not payable on reporting date as per contract	1,446.17		-	
- due and payable	-	1,446.17	-	-
ii) Others		904.40		2,897.76
<b>TOTAL</b>		<b>2,350.57</b>		<b>2,897.76</b>

**NOTE 24 - OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

(₹ in lakhs)

Particulars	AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a) Other Payables</b>				
(i) Sundry Creditors		26.22		154.51
(ii) Securities and Other Deposits		8.72		1,470.45
(iii) Deposit under Employees Family Benefit Scheme		435.15		435.15
(iv) Liability for Employees		-		759.07
<b>TOTAL</b>		<b>470.09</b>		<b>2,819.18</b>

**NOTE 25 - PROVISIONS (NON-CURRENT)**

(₹ in lakhs)

Particulars	AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a) Provision for Employee Benefits</b>				
(i) Provision for Gratuity (Present Value of Defined Benefit Obligation as per actuarial valuation)	2,393.16		3,236.07	
(ii) Provision for Leave Encashment (Present Value of Defined Benefit Obligation as per actuarial valuation)	12,466.84		15,364.30	
(iii) Provision for Other Employee Defined Benefit Schemes (Present Value of Defined Benefit Obligation as per actuarial valuation)	7,022.88		6,877.22	
		<b>21,882.88</b>		<b>25,477.59</b>
<b>(b) Other Provisions</b>				
(i) Provision for Miscellaneous Deduction by Clients		-		716.11
(ii) Provision for Disputed Cases		268.83		268.65
<b>TOTAL</b>		<b>22,151.71</b>		<b>26,462.35</b>



## NOTE 26 - OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
(i) Advances from Clients	-	11.19
(ii) Liquidated Damages Recovered from Parties	-	364.32
<b>TOTAL</b>	<b>-</b>	<b>375.51</b>

## NOTE 27 - BORROWINGS (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
<b>(a) Working Capital Borrowings from Bank</b> <i>(Secured against Fixed Deposits with Banks under lien)</i>	-	-
<b>(b) Current Maturity of Non-Current Borrowings\</b>	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

## NOTE 28 - TRADE PAYABLES (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2024		AS AT 31.03.2023	
<b>Trade Payables</b>				
(i) Dues to Micro & Small Enterprises (Refer Note 42.18)				
- due but not payable on reporting date as per contract	<b>4,852.50</b>		8,665.91	
- due and payable	<b>1,060.18</b>	<b>5,912.68</b>	670.58	9,336.49
(ii) Others		<b>20,618.90</b>		13,822.78
<b>TOTAL</b>		<b>26,531.58</b>		<b>23,159.27</b>

### Trade Payables ageing schedule

(₹ in lakhs)

Sl. No.	Particulars	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i)	MSME						
	<b>as at 31.03.2024</b>	<b>4,852.50</b>	<b>1,060.18</b>	-	-	-	<b>5,912.68</b>
	<i>as at 31.03.2023</i>	<i>8,665.91</i>	<i>670.58</i>	-	-	-	<i>9,336.49</i>
(ii)	Others						
	<b>as at 31.03.2024</b>	<b>12,816.39</b>	<b>6,702.10</b>	<b>290.60</b>	<b>173.53</b>	<b>636.28</b>	<b>20,618.90</b>
	<i>as at 31.03.2023</i>	-	<i>13,633.67</i>	<i>7.35</i>	-	<i>14.21</i>	<i>13,655.23</i>
(iii)	Disputed dues – MSME						
	<b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	-	-
(iv)	Disputed dues – Others						
	<b>as at 31.03.2024</b>	-	-	-	-	-	-
	<i>as at 31.03.2023</i>	-	-	-	-	<i>167.55</i>	<i>167.55</i>

Figures in italics relates to previous year

**NOTE 29 - OTHER FINANCIAL LIABILITIES (CURRENT)**

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(a)	Interest accrued but not due on borrowings		-		-
(b)	Interest accrued and due on borrowings		-		-
(d)	<b>Other Payables</b>				
	(i) Sundry Creditors				
	- Micro & Small Enterprises				
	- due but not payable on reporting date as per contract	555.64		-	
	- due and payable	97.20		118.10	
	- Others	3,287.08	3,939.92	6,095.46	6,213.56
	(ii) Securities and other deposits		632.53		798.04
	(iii) Deposit under Employees Family Benefit Scheme		14.79		14.79
	(iv) Liability for Employees		6,013.67		4,739.11
	(v) Invoice raised but not accrued (Net)		14,422.56		10,859.40
	<b>TOTAL</b>		<b>25,023.47</b>		<b>22,624.90</b>

**NOTE 30 - OTHER CURRENT LIABILITIES**

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
(i)	Advances from Clients		10,815.41		3,203.32
(ii)	Deposit from Clients (Deposit Works)		24,817.73		11,251.30
(iii)	Liquidated Damages Recovered from Parties		-		13.56
(iv)	VAT / Central Sales Tax Liability		46.80		46.80
(v)	Service Tax Liability		1.11		1.11
(vi)	GST Payable		5,125.87		3,873.56
(vii)	Others		3,030.08		381.67
	<b>TOTAL</b>		<b>43,837.00</b>		<b>18,771.32</b>



## NOTE 31 - PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2024		AS AT 31.03.2023	
<b>(a)</b>	<b>Provision for Employee Benefits</b>				
	(i) Provision for Gratuity (Present Value of Defined Benefit Obligation as per actuarial valuation)	<b>933.06</b>		913.18	
	(ii) Provision for Leave Encashment (Present Value of Defined Benefit Obligation as per actuarial valuation)	<b>1,173.95</b>		1,152.08	
	(iii) Provision for Other Employee Defined Benefit Schemes (Present Value of Defined Benefit Obligation as per actuarial valuation)	<b>495.89</b>		1,150.43	
	(iv) Provision for Employee Defined Contribution Schemes	<b>2,489.26</b>		2,501.85	
			<b>5,092.16</b>		5,717.54
<b>(b)</b>	<b>Other Provisions</b>				
	(i) Provision for Bonus		<b>5.67</b>		7.87
	(ii) Provision for Expenses & Contractual Obligations		-		2,135.33
	(iii) Provision for Miscellaneous Deductions by Clients		-		256.81
	<b>TOTAL</b>		<b>5,097.83</b>		<b>8,117.55</b>

## NOTE 32 - REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars		2023-24	2022-23
<b>(a)</b>	<b>Revenue from Consultancy Services</b>	<b>32,768.79</b>	41,182.29
<b>(b)</b>	<b>Revenue from Construction Contracts</b>	<b>36,188.92</b>	38,544.09
<b>(c)</b>	<b>Revenue from Procurement Services</b>	<b>574.65</b>	1,111.99
<b>(d)</b>	<b>Revenue from Operation &amp; Maintenance Services</b>	<b>22,846.65</b>	4,658.35
<b>(e)</b>	<b>Other Operating Revenue</b>		
	(i) Provision no longer required written back (Direct)	<b>7,843.76</b>	2,484.23
	(ii) Others	<b>1,059.66</b>	964.97
	<b>TOTAL</b>	<b>1,01,282.43</b>	<b>88,945.92</b>

**NOTE 32.1 - GROSS INCOME DERIVED FROM SERVICES RENDERED**

[Refer Note 32(a), 32(b), 32(c) &amp; 32(d)]

(₹ in lakhs)

Particulars		2023-24	2022-23
(a)	Engineering, Technical Consultancy, Project Management Services, etc. – Domestic	32,597.07	41,114.66
(b)	Engineering, Technical Consultancy, Project Management Services, etc. – Foreign	171.72	67.63
(c)	Execution of Construction Contracts/EPC Contracts including Supply of Equipment & Components, etc.	36,188.92	38,544.09
(d)	Procurement Services	574.66	1,111.99
(e)	Operations and Maintenance	22,846.65	4,658.35
<b>TOTAL</b>		<b>92,379.02</b>	<b>85,496.72</b>

**NOTE 33 - OTHER INCOME**

(₹ in lakhs)

Particulars		2023-24	2022-23
<b>(a)</b>	<b>Interest Income</b>		
	(i) Interest from Bank (Tax deducted at Source ₹235.30 lakhs) (CPLY ₹180.77 lakhs)	3,678.76	2,538.72
	(ii) Interest from Income Tax Department and Others	233.97	191.55
<b>(b)</b>	<b>Dividend Income from Non-Current Investment</b>	2.66	2.13
<b>(c)</b>	<b>Other Non-Operating Income</b>		
	(i) Gain / (Loss) on Redemption of Investments in Mutual Funds	-	3.80
	(ii) Profit on Sale / Disposal of Fixed Assets	1.04	0.72
	(iii) Income from Township	976.89	1,131.11
	(iv) Provision no longer required written back	1.91	1,618.61
	(v) Miscellaneous Income	150.27	161.73
<b>TOTAL</b>		<b>5,045.50</b>	<b>5,648.37</b>

**NOTE 34 - WORK & CONSULTANCY EXPENSES**

(₹ in lakhs)

Particulars		2023-24	2022-23
<b>(a)</b>	<b>Cost of Material Consumed for Construction / EPC Contracts</b>	20,649.11	20,976.92
<b>(b)</b>	<b>Expenses on Sub-Contractors &amp; Others for execution of jobs</b>	24,827.64	18,572.31
<b>(c)</b>	<b>Expenses on Operations &amp; Maintenance</b>	10,549.77	4,863.91
<b>(d)</b>	<b>Provision for Expenses &amp; Contractual Obligations for execution of jobs</b>	-	169.46
<b>TOTAL (a)+(b)+(c)+(d)</b>		<b>56,026.52</b>	<b>44,582.60</b>

**NOTE 35 - (ACCRETION) / DECRETION TO JOBS-IN-PROGRESS**

(₹ in lakhs)

Particulars		2023-24	2022-23
<b>(a)</b>	<b>Opening Jobs-in-Progress (Consultancy)</b>	6,490.48	7,177.62
<b>(b)</b>	<b>Closing Jobs-in-Progress (Consultancy)</b>	5,694.01	6,490.48
<b>(a)-(b)</b>		<b>796.47</b>	<b>687.14</b>



## NOTE 36 - EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

Particulars		2023-24	2022-23
(a)	<b>Salaries &amp; Wages</b>		
	– Salary and Allowances	22,412.37	22,159.83
	– Leave Encashment	1,967.19	2,098.72
	– Perks and Allowances	2,261.53	2,278.08
	– Bonus	5.67	2.70
	– Superannuation Benefits	2,232.33	2,849.88
	<b>Sub-Total</b>	<b>28,879.09</b>	<b>29,389.21</b>
(b)	<b>Company's Contribution to Provident and Other Fund</b>	<b>3,265.33</b>	<b>3,212.83</b>
(c)	<b>Staff Welfare Expenses</b>		
	– Education	4.04	8.59
	– Medical	697.43	679.74
	– Social & Cultural Activities	32.47	61.78
	– Rent (Residential)	7.23	48.68
	– Group Insurance Premium	0.89	2.93
	– Staff Welfare (Others)	261.07	266.05
	<b>Sub-Total</b>	<b>1,003.13</b>	<b>1,067.77</b>
	<b>TOTAL (a)+(b)+(c)</b>	<b>33,147.55</b>	<b>33,669.81</b>

## NOTE 37 - FINANCE COSTS

(₹ in lakhs)

Particulars		2023-24	2022-23
(a)	<b>Interest</b>		
	Interest on Loan from Banks	323.84	116.92
	<b>Sub-Total (a)</b>	<b>323.84</b>	<b>116.92</b>
(b)	<b>Other Borrowing Costs</b>		
i)	Bank Charges	64.87	71.50
ii)	BG / LC Commission	56.82	33.02
	<b>Sub-Total (b)</b>	<b>121.69</b>	<b>104.52</b>
	<b>TOTAL (a) + (b)</b>	<b>445.53</b>	<b>221.44</b>

## NOTE 38 - DEPRECIATION AND AMORTISATION EXPENSES

(₹ in lakhs)

Particulars		2023-24	2022-23
a)	<b>Depreciation</b>	771.13	679.16
b)	<b>Amortisation</b>	325.53	66.82
	<b>TOTAL (a) + (b)</b>	<b>1,096.66</b>	<b>745.98</b>

**NOTE 39 - OTHER EXPENSES**

(₹ in lakhs)

Particulars		2023-24		2022-23	
1.	Travelling Expenses		1,792.35		1,901.70
2.	Foreign Deputation		46.18		42.85
3.	Maintenance & Repairs to Buildings		1,611.53		1,648.65
4.	Stores & Spares consumed		62.44		133.39
5.	Printing & Stationery consumed		169.22		185.88
6.	Rent (Non-residential)		215.94		355.53
7.	Rates & Taxes		59.61		99.47
8.	Advertisement & Publicity		31.13		41.42
9.	Payment to Auditors :				
	– As Statutory Auditor	4.00		4.00	
	– For Income Tax / GST Audit Matters	0.60		0.60	
	– For Quarterly Audit	3.00		3.00	
	– For reimbursement of expenses	3.12	10.72	3.51	11.11
10.	Insurance		12.41		11.92
11.	Training Expenses :				
	– Inland	126.79		37.68	
	– Foreign	-	126.79	-	37.68
12.	Postage & Telecommunications		74.20		162.39
13.	Computer Services		204.64		114.84
14.	Power and Fuel		473.81		531.25
15.	Legal & Professional Charges		153.43		156.63
16.	Assets Charged to Revenue		0.35		1.92
17.	Other Administrative and Misc. Expenses		2,172.38		1,998.63
18.	Expenses on CSR		124.69		61.45
19.	Loss on Sale / Disposal of Fixed Assets		2.22		1.65
20.	Provisions				
	– Provision for Doubtful Trade Receivables / ECL		2,063.46		3,567.00
	– Provision for Claims Recoverable		-		97.32
	– Provision for Doubtful Deposit with Others		-		13.99
	– Provision for Earnest Money Deposit		7.93		1.38
	– Provision for Stagnant Jobs-in-Progress		45.43		150.58
	– Provision for GST TDS Certificate Receivable		0.07		6.35
	– Provision for Doubtful ITDS Credit		-		30.36
	– Provision for Doubtful GST Certificate Receivable		-		201.88
	– Provision against Payment of Sales Tax Under Dispute		-		304.00
	– Provision for Misc. Deduction by Clients		133.40		1,516.06
21.	Write Offs				
	– Bad Debts Written Off		13.02		-
<b>TOTAL</b>			<b>9,607.35</b>		<b>13,387.28</b>



## NOTE 40: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(to the extent not provided for)

(₹ in lakhs)

	Particulars	31.03.2024	31.03.2023
<b>40.1</b>	<b>Contingent Liabilities</b>		
i)	Claims against Company under liquidated damage clause by the Clients.	NIL	NIL
ii)	Income tax in dispute / under appeal	610.75	525.33
iii)	Sales tax demands pending appeals with Appellate Authorities.	1,993.72	2,141.70
iv)	Excise Duty / Service Tax demands pending appeals with Appellate Authorities.	230.65	230.65
v)	Claims against Company by Contractors / Suppliers, etc. pending final decision.	13,928.20 #	15,119.27 #
vi)	Claims against Company for electricity supply by Jharkhand Urja Vikas Nigam Limited (JUVNL) in dispute ₹2,486.07 lakhs. Out of this, ₹527.14 lakhs is paid / provided in accounts pending final decision during the FY 2015-16.	1,958.93	1,958.93
vii)	<p>The Regional Provident Fund Commissioner-II, Jharkhand, Ranchi ordered for payment of ₹385.27 lakhs by way of interest and penalty to the BOT, arising out of delayed remittances by the company to the BOT, MECON Employees Provident Fund Trust. The company disputed the same and filed an appeal with EPF, Appellate Tribunal, New Delhi after depositing ₹96.32 lakhs as interim adhoc advance.</p> <p>The Hon'ble High Court of Jharkhand, vide order dated 30<sup>th</sup> July, 2012 has directed Provident Fund Commissioner, Ranchi to decide the question of delay in payment and determine the quantum of damages with a view to re-assess the liability of the Company, setting aside all earlier orders.</p> <p>RPFC has worked out liability of ₹326.02 lakhs vide their letter dated 28.08.2013. Provision of ₹3.11 lakhs has been made during 2013-14 based on Company's calculation pending final decision. Out of the above, the Regional Provident Fund Commissioner-I, Jharkhand, Ranchi vide their letter dated 17.03.2015, demanded ₹116.86 lakhs towards interest and penalty, arising out of delayed remittances of PF and Pension amounts for the period from April, 1971 to February, 2001.</p> <p>Writ Petition has been filed before Hon'ble Jharkhand High Court against the order dated 14.02.2017 passed by EPF, Appellate Tribunal, New Delhi.</p>	322.91	322.91
viii)	Arrears Perks and Allowances in respect of executive employees for the period 26.11.2008 to 20.10.2009 as estimated following the order no. O.A. 350/00191/2014 dated 15.02.2016 issued by the Central Administrative Tribunal, Calcutta Bench. The matter is in dispute and is pending before the Hon'ble Calcutta High Court as intimated by the Ministry of Steel.	3,079.66	3,079.66

contd...

contd...

	Particulars	31.03.2024	31.03.2023
ix)	Interest on arrear perks and allowances in respect of executive employees as determined upto 31.03.2024 following order no. O.A. 350/00191/2014 dated 15.02.2016 passed by the Central Administrative Tribunal, Calcutta Bench, pending final decision.	8,010.19	7,455.86

# Note No. 40.1 (v) includes contingent liability in r/o M/s NP Construction (a sub-contractor of MECON) who had filed an application before Jharkhand Micro and Small Enterprises Facilitation Council (Council) (MSEFC) claiming outstanding payment of ₹1,149.96 Lakhs plus interest thereon against work orders related to Coke Oven Battery # 1,2 and 5 of Bokaro Steel Plant. The Company had already paid an amount of ₹1,090.25 Lakhs to them successively based on Minutes of Meeting (MOM) dated 02.08.2019. MECON has refuted the balance claim being not payable as the same was agreed by M/s NP Construction vide MOM dated 02.08.2019. The MSEFC vide order dated 24.08.2021, awarded the balance of the claimed amount by NP Construction along with interest as per MSMED Act. Subsequently, the Company filed Writ Petition with Hon'ble High Court of Jharkhand to challenge order of MSEFC and the Writ Petition has been dismissed. Thereafter, MECON has filed an SLP before the Supreme Court of India. As per order of Supreme Court, there is stay on realization of any amount pursuant to MSME order in favour of MECON Limited subject to deposit of ₹700 lakhs by MECON Limited. MECON has deposited the amount and the stay is in operation.

Since the matter is sub-judice, the balance amount of claim for ₹59.71 Lakhs plus interest thereon is disclosed under Contingent Liability.

(₹ in lakhs)

	Particulars	31.03.2024	31.03.2023
<b>40.2</b>	<b>Contingent Assets</b>		
i.	Recovery of undue amount towards leave salary (HPL) from Ex- employees. Lawsuit (457 to 464 of 215) has been filed before Civil Judge (Sr. Division) No. I, Ranchi.	49.94	49.94
ii.	Recovery of money lent and advanced & enforcement of security from Ex- executive. Suit No. 41/97 has been filed before Additional District Judge at Durgapur.	5.66	0.97
iii.	Balance Deferred amount realizable pursuant to strategic disinvestment of NINL (Refer Note No. 42.29)	596.66	596.66
iv.	Demand letter is issued to SAIL against award in favour of MECON Ltd. related to Salem Refractory Unit (Burn Standard Company Ltd.), which is taken over by SAIL.	352.03	-

(₹ in lakhs)

	Particulars	31.03.2024	31.03.2023
<b>40.3</b>	<b>Commitments</b>		
	Estimated amount of contracts/orders remaining to be executed/ supplied on capital account and not provided for	358.66	1,109.48

**NOTE 41: PROPOSED DIVIDEND**

(₹ in lakhs)

Particulars	2023-24	2022-23
Proposed Dividend on Equity Shares		
Total Dividend (₹ in lakhs)	735.60	930.28
Dividend per share (₹)	1.83	2.32



## NOTE 42 : ADDITIONAL INFORMATION AND OTHER DISCLOSURES

(₹ in lakhs)

Particulars		2023-24		2022-23	
42.1	Letters of Credit opened with Bankers for purchase of equipment & components and technical services.	6,653.32		4,106.04	
42.2	Guarantees given by Banks for and on behalf of the Company to different clients etc.	22,443.35		19,804.94	
42.3	Earnings in Foreign Exchange Fees for services rendered.	171.72		67.63	
42.4	Expenditure in Foreign Currency				
	(i) Professional and Consultation Fees	NIL		NIL	
	(ii) Other matters	1.73	1.73	11.10	11.10
42.5	Value of Imports (Calculated on CIF basis)				
	(i) Equipment, components & spares parts used in construction contract	332.72		155.42	
	(ii) Capital goods	NIL	332.72	NIL	155.42
42.6	(i) Expenses on Advertisement & Publicity		31.13		41.42
	(ii) Expenses on Public Relation Establishment		171.95		93.27
42.7	Expenses on Engineering, Research & Development Wing / establishment, including capital assets		192.68		92.65

## 42.8 : PARTICULARS OF PROVISIONS

(₹ in lakhs)

PARTICULARS	Provision for Bonus	Provision for Doubtful Trade Receivables	Provision for Claims Recoverable	Provision for Doubtful Earnest Money Deposit	Provision for Doubtful Deposit with Others	Provision for doubtful advances to suppliers/ sub-contractors	Provision for Disputed Cases, Stagnant jobs, SD, etc
Opening Balance as on 01.04.2023	7.87 <i>(12.06)</i>	19,676.16 <i>(15,872.98)</i>	2,553.54 <i>(2,456.22)</i>	767.27 <i>(768.69)</i>	81.60 <i>(76.68)</i>	361.18 <i>(361.18)</i>	3,532.59 <i>(3,296.59)</i>
Add: Provision made during the year	5.67 <i>(7.87)</i>	2,196.86 <i>(4,935.92)</i>	NIL <i>(97.32)</i>	7.93 <i>(1.38)</i>	NIL <i>(13.98)</i>	NIL <i>(NIL)</i>	45.50 <i>(693.17)</i>
Add: Inter head adjustment	NIL <i>(NIL)</i>	216.37 <i>(NIL)</i>	(-) 216.84 <i>(NIL)</i>	NIL <i>(-2.00)</i>	NIL <i>(2.00)</i>	NIL <i>(NIL)</i>	0.47 <i>(NIL)</i>
Less: Provision utilized during the year	5.42 <i>(3.23)</i>	NIL <i>(129.65)</i>	NIL <i>(NIL)</i>	NIL <i>(NIL)</i>	NIL <i>(NIL)</i>	NIL <i>(NIL)</i>	- <i>(60.94)</i>
Less: Unused provision reversed during the year	2.45 <i>(8.83)</i>	4,846.60 <i>(1,003.09)</i>	112.12 <i>(NIL)</i>	5.08 <i>(0.80)</i>	NIL <i>(11.06)</i>	NIL <i>(NIL)</i>	76.12 <i>(396.23)</i>
Closing Balance as on 31.03.2024	5.67 <i>(7.87)</i>	17,242.79 <i>(19,676.16)</i>	2,224.58 <i>(2,553.54)</i>	770.12 <i>(767.27)</i>	81.60 <i>(81.60)</i>	361.18 <i>(361.18)</i>	3,502.44 <i>(3,532.59)</i>

Figures in bracket and Italics relates to previous year

## 42.9 DISCLOSURE UNDER IND AS -19 ON "EMPLOYEE BENEFITS"

### A Defined Benefit Scheme

#### A.1 General Description of Defined Benefit Schemes:

<b>Gratuity:</b>	Payable on separation @ 15 days salary for each completed year of service or part thereof in excess of six months to eligible employees who render continuous service of 5 years or more. Beyond 30 years of service, gratuity is payable at the rate of one month's / 30 days salary for each completed year of service in excess of 30 years. The maximum limit of gratuity is ₹20.00 lakhs w.e.f. 29.03.2018.
<b>Leave Encashment:</b>	Payable on separation to eligible employees who have accumulated earned leave and half pay leave. Maximum limit of accumulation is 300 days (both earned leave and half pay leave taken together). However, no commutation of HPL would be permissible for the purpose of encashment of 300 days leave as above. Employees in service become entitled to en-cash, in a calendar year, not more than 50% of the earned leave at credit at the time of application or 30 days, whichever is less and the balance earned leave shall not be less than 60 days after such encashment.
<b>Provident Fund:</b>	12% of Basic Pay & Dearness Allowance contributed to the Provident Fund Trust by the Company.
<b>Post Retirement Medical Benefits :</b>	Available to the employees and his spouse after separation (Superannuation/death) at Company's hospitals / under Health Insurance scheme / a fixed amount of ₹2,400/- p.a. under Outdoor Medical Treatment (ODMT) scheme, as applicable.
<b>Post Retirement Settlement Benefits:</b>	Payable to employees / spouse on separation (Superannuation, Voluntary Retirement, Death, Discharge on medical ground and resignation after the age of 57 years) for settlement upto their home town.
<b>Employees' Family Benefit Scheme:</b>	Monthly payments to disabled separated employees / legal heirs of deceased employees in lieu of prescribed deposit till the notional date of superannuation.
<b>Long Service Award:</b>	Payable in kind on rendering 15 years of service and also on rendering 30 years of service.
<b>Retirement Gift:</b>	Payable in kind on retirement.
<b>LTC/LTA:</b>	Non-executive regular employees are entitled to one LTC and one LTA according to rates in the eligible grade, in a block of four years.



## A.2 Reconciliation of Present Value of Defined Benefit Obligation (DBO)

(₹ in lakhs)

		1	2	3	4	5	6	7	8
Sl.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	Employee Family Benefit Scheme	Retirement Gift	Long Service Award	LTC/LTA
1	<b>P.V. of DBO (Opening)</b>	<b>8,667.36</b>	<b>16,516.38</b>	<b>2,795.20</b>	<b>170.13</b>	<b>267.25</b>	<b>34.57</b>	<b>76.24</b>	<b>52.20</b>
	<i>P.V. of DBO (Opening) (Previous Year)</i>	<i>9,251.88</i>	<i>14,789.98</i>	<i>2,718.58</i>	<i>170.87</i>	<i>288.36</i>	<i>39.63</i>	<i>79.73</i>	<i>56.00</i>
2	<b>Current Service Cost</b>	<b>326.04</b>	<b>749.93</b>	-	<b>9.38</b>	-	<b>1.62</b>	<b>4.88</b>	-
	<i>Current Service Cost (Previous Year)</i>	<i>369.56</i>	<i>1,044.20</i>	-	<i>8.98</i>	-	<i>1.59</i>	<i>4.96</i>	-
3	<b>Interest Cost</b>	<b>638.78</b>	<b>1,217.26</b>	<b>206.01</b>	<b>12.54</b>	<b>19.70</b>	<b>2.55</b>	<b>5.62</b>	<b>3.85</b>
	<i>Interest Cost (Previous Year)</i>	<i>659.64</i>	<i>1,054.52</i>	<i>193.83</i>	<i>12.18</i>	<i>20.56</i>	<i>2.82</i>	<i>5.69</i>	<i>3.99</i>
4	<b>Actuarial Loss/ (Gain)</b>	<b>(143.00)</b>	<b>(2,573.96)</b>	<b>117.66</b>	<b>(3.65)</b>	<b>19.29</b>	<b>(1.11)</b>	<b>0.54</b>	<b>42.81</b>
	<i>Actuarial Loss/ (Gain) (Previous Year)</i>	<i>(418.65)</i>	<i>2,403.22</i>	<i>87.93</i>	<i>(14.14)</i>	<i>8.08</i>	<i>(3.88)</i>	<i>(5.44)</i>	<i>(1.06)</i>
5	<b>Premium Paid</b>	<b>14.35</b>	-	-	-	-	-	-	-
	<i>Premium Paid (Previous Year)</i>	<i>17.07</i>	-	-	-	-	-	-	-
6	<b>Past Service Cost</b>	-	-	-	-	-	-	-	-
	<i>Past Service Cost (Previous Year)</i>	-	-	-	-	-	-	-	-
7	<b>Benefit Paid</b>	<b>(1,162.96)</b>	<b>(2,268.83)</b>	<b>(187.84)</b>	<b>(9.55)</b>	<b>(49.77)</b>	<b>(2.57)</b>	<b>(12.17)</b>	<b>(9.35)</b>
	<i>Benefit Paid (Previous Year)</i>	<i>(1,212.14)</i>	<i>(2,775.54)</i>	<i>(205.14)</i>	<i>(7.76)</i>	<i>(49.75)</i>	<i>(5.59)</i>	<i>(8.70)</i>	<i>(6.73)</i>
8	<b>P.V. of DBO (Closing)</b>	<b>8,340.57</b>	<b>13,640.79</b>	<b>2,931.03</b>	<b>178.85</b>	<b>256.47</b>	<b>35.06</b>	<b>75.11</b>	<b>89.50</b>
	<i>P.V. of DBO (Closing) (Previous Year)</i>	<i>8,667.36</i>	<i>16,516.38</i>	<i>2,795.20</i>	<i>170.13</i>	<i>267.25</i>	<i>34.57</i>	<i>76.24</i>	<i>52.20</i>

### A.3 Reconciliation of Fair Value of Plan Assets and Obligations.

The company has wholly/partly funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by LIC through whom the investments have been made by the Fund. Investments of the fund is also made in flexi deposit account with Banks. The reconciliation of Fair Value of Plan Assets of the Gratuity Fund and Defined Benefit Gratuity obligations are as under:

(₹ in lakhs)

Sl.	Particulars	As on 31.03.2024	As on 31.03.2023
1	<b>F.V. of Plan Assets (Opening)</b>	<b>4,518.02</b>	5,317.19
2	Interest Income	332.98	379.12
3	Benefit Payment	(1,079.65)	(1,147.58)
4	Contributions made	1,207.69	1.64
5	Actuarial (Loss)/ Gain	35.31	(32.35)
6	<b>F.V. of Plan Assets (Closing)</b>	<b>5,014.35</b>	4,518.02
7	P.V. of D.B.O. (Closing)	8,340.57	8,667.36
	<b>Net liability / (assets) recognised in the Balance Sheet</b>	<b>3,326.22</b>	<b>4,149.34</b>

### A.4 Provident Fund

Company's contribution paid/payable during the year to the Provident Fund Trust are recognised in the Statement of Profit & Loss. The Company's Provident Fund Trust is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-a-vis statutory rate. The Company has already made adequate provisions in the accounts based on actuarial valuation of Provident Fund.

The defined benefit obligations, other than Gratuity and Provident fund, are unfunded.

### A.5 Expenses recognised in Statement of Profit & Loss

(₹ in lakhs)

Sl.	Particulars	1	2	3	4	5	6	7	8
		Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	Employee Family Benefit Scheme	Retirement Gift	Long Service Award	LTC/ LTA
<b>1</b>	<b>Current Service Cost</b>	<b>326.04</b>	<b>749.93</b>	-	<b>9.38</b>	-	<b>1.62</b>	<b>4.88</b>	-
	<i>Current Service Cost (Previous Year)</i>	<i>369.56</i>	<i>1,044.20</i>	-	<i>8.98</i>	-	<i>1.59</i>	<i>4.96</i>	-
<b>2</b>	<b>Past Service Cost</b>	-	-	-	-	-	-	-	-
	<i>Past Service Cost (Previous Year)</i>	-	-	-	-	-	-	-	-
<b>3</b>	<b>Interest Cost</b>	<b>638.78</b>	<b>1,217.26</b>	<b>206.01</b>	<b>12.54</b>	<b>19.70</b>	<b>2.55</b>	<b>5.62</b>	<b>3.85</b>
	<i>Interest Cost (Previous Year)</i>	<i>659.64</i>	<i>1,054.52</i>	<i>193.83</i>	<i>12.18</i>	<i>20.56</i>	<i>2.82</i>	<i>5.69</i>	<i>3.99</i>
<b>4</b>	<b>Interest Income on Plan Assets</b>	<b>(332.98)</b>	-	-	-	-	-	-	-
	<i>Interest Income on Plan Assets (Previous Year)</i>	<i>(379.12)</i>	-	-	-	-	-	-	-
	<b>Expenses Recognised in statement of Profit and Loss</b>	<b>631.84</b>	<b>1,967.19</b>	<b>206.01</b>	<b>21.92</b>	<b>19.70</b>	<b>4.17</b>	<b>10.50</b>	<b>3.85</b>
	<i>Expenses Recognised in statement of Profit and Loss (Previous Year)</i>	<i>650.08</i>	<i>2,098.72</i>	<i>193.83</i>	<i>21.16</i>	<i>20.56</i>	<i>4.41</i>	<i>10.65</i>	<i>3.99</i>



## A.6 Expenses recognised in Other Comprehensive Income

(₹ in lakhs)

Sl.	Particulars	1	2	3	4	5	6	7	8
		Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	Employee Family Benefit Scheme	Retirement Gift	Long Service Award	LTC/LTA
1	<b>Re-measurements due to changes in Demographic Assumptions</b>	-	-	-	-	-	-	-	-
	<i>Re-measurements due to changes in Demographic Assumptions (Previous Year)</i>	-	-	-	-	-	-	-	-
2	<b>Re-measurements due to changes in Financial Assumptions</b>	(113.63)	(4,408.87)	25.94	-	-	-	-	-
	<i>Re-measurements due to changes in Financial Assumptions (Previous Year)</i>	(186.35)	(448.92)	(10.42)	(3.40)	(0.28)	(0.31)	(1.51)	(0.46)
3	<b>Re-measurements due to changes in Experience Adjustments</b>	(29.37)	1,834.91	91.72	(3.65)	19.29	(1.11)	0.54	42.81
	<i>Re-measurements due to changes in Experience Adjustments (Previous Year)</i>	(232.30)	2,852.14	98.35	(10.74)	8.36	(3.57)	(3.93)	(0.60)
4	<b>Return on Plan Assets (excluding Interest Income)</b>	(35.31)	-	-	-	-	-	-	-
	<i>Return on Plan Assets (excluding Interest Income) (Previous Year)</i>	32.35	-	-	-	-	-	-	-
	<b>Expenses recognised in Other Comprehensive Income</b>	(178.31)	(2,573.96)	117.66	(3.65)	19.29	(1.11)	0.54	42.81
	<i>Expenses recognised in Other Comprehensive Income (Previous Year)</i>	(386.30)	2,403.22	87.93	(14.14)	8.08	(3.88)	(5.44)	(1.06)

## A.7 Actuarial Assumptions

		2023-24	2022-23
1	Discount Rate (per annum)	7.21%	7.37%
2	Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
3	Withdrawal Rate (per annum)	0.10% to 0.50% depending on age group. 10% flat at all age groups for Contract Employees	0.10% to 0.50% depending on age group. 10% flat at all age groups for Contract Employees
4	Medical Inflation Rate (per annum)	12% for first 5 years and thereafter 8%	12% for first 5 years and thereafter 8%
5	Rate of return on Plan Assets (per annum)	6.77% - 7.67%	6.78% - 6.89%
6	Salary Escalation (per annum)	5.00%	8.00%

The estimate of future salary increase considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors.

**A.8 Financial Assumptions Sensitivity Analysis**

(₹ in lakhs)

Sl. No.	Particulars	0.5 %age decrease in Discount Rate	0.5 %age increase in Discount Rate	0.5 %age decrease in Salary Rate	0.5 %age increase in Salary Rate
1	Gratuity	8,690.55	8,016.25	8,304.01	8,377.42
2	Leave Encashment	14,278.39	13,052.24	13,037.59	14,289.16
3	Post Retirement Settlement Benefits	180.57	177.17	-	-
4	Employee Family Benefit Scheme	261.59	251.24	-	-
5	Retirement Gift	36.97	33.20	-	-
6	Long Service Award	90.85	57.58	-	-
7	LTC/LTA	90.77	88.21	-	-

**A.9 Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme:**

(₹ in lakhs)

Sl. No.	Particulars	One percentage point increase in medical inflation rate	One percentage point decrease in medical inflation rate
1	Increase/(decrease) on aggregate service cost and interest cost of post retirement medical benefits	284.26	(289.89)
2	Increase/(decrease) on present value of post retirement benefit obligations as at 31st March, 2024	287.48	(297.48)

**A.10 Expected Cash Flows for the following years**

(₹ in lakhs)

Period	Gratuity	Leave Encashment
Year 1	933.06	868.73
Year 2	777.72	1,391.98
Year 3	806.94	1,342.81
Year 4	587.68	974.41
Year 5	565.53	896.14
Year 6	430.32	714.04
Next 6 years	4,239.32	7,452.68

**B Defined Contribution Scheme****B.1 Post Retirement Pension Benefits**

The Company has Defined Pension Contribution Scheme for employees through a separate trust. The Company's Contribution paid / payable under the Pension Contribution Scheme for executive employees is w.e.f. 01.01.2007 and for non-executive employees is w.e.f 01.01.2012.



## B.2 Expenses recognised in Statement of Profit & Loss for the year

(₹ in lakhs)

Particulars	Post Retirement Pension Benefits	
	2023-24	2022-23
Expenses charged to Statement of Profit and Loss	1,979.87	1,955.67

## B.3 Company's Contribution payable under the Defined Pension Contribution Scheme is ₹2,489.27 Lakhs as at 31st March, 2024

### 42.10 : DISCLOSURE UNDER IND AS-24 ON "RELATED PARTY DISCLOSURES"

#### i) Related Parties and their relationships:

Name of the Related Party	Nature of Relationship
M/s. Metallurgical & Engineering Consultants (Nigeria) Limited	Joint Venture Company
Board of Trustees, MECON Employees' Provident Fund and Gratuity Fund	Post Employment Benefit Plans
<b>Key Management Personnel</b>	
Shri Ajit Kumar Saxena (w.e.f. 18.08.2023)	Chairman and Managing Director (Additional Charge)
Shri Mukesh Kumar	Director (Finance)
Shri Sanjay Kumar Verma	Director (Commercial)
Shri Arun Kumar Agrawal (upto 31.05.2023)	Director (Technical)
Shri Amit Raj (w.e.f. 31.08.2023)	Director (Technical)
Shri Pradumn Kumar Dixit (w.e.f. 05.09.2023)	Director (Projects)
Smt. Sukriti Likhi, IAS	Government Director
Dr. Sanjay Roy	Government Director
Shri Sudesh Kumar Rathi	Company Secretary & Incharge (Board & Co-ordination)
Shri U.K. Viswakarma	Executive Director & Incharge, Delhi Office
Shri Sajal Kumar Bhattacharjee	Executive Director
Shri Sanjay Kumar Sinha (upto 24.02.2024)	Executive Director
Shri Neeraj Kumar	Executive Director
Dr. Manoranjan Biswas	Executive Director
Shri Neeraj Kumar (upto 21.03.2024)	Incharge, Nagarnar office
Shri D. Chowdhuri (upto 31.12.2023)	Incharge, Bhilai office
Shri Prema Ram Bera (w.e.f. 04.01.2024)	Incharge, Bhilai office
Shri Arun Mondal	Incharge, Burnpur office
Shri Anil Kumar Jha (upto 29.02.2024)	Incharge, Nalanda office
Shri Navin Kumar (w.e.f. 16.03.2024)	Incharge, Nalanda office
Shri G. Krishna Kumar (upto 31.07.2023)	Incharge, Mumbai office
Shri S. Saravanan (w.e.f. 11.08.2023)	Incharge, Mumbai office
Shri Amit Pal	Incharge, Kolkata office
Shri C. Madhu	Incharge, Vizag office
Shri Nemani Siva Kumar	Incharge, Hyderabad office
Shri Ranjeet Kumar	Incharge, Bangalore office
Shri Bijoy Ketan Parida	Incharge, Bhubaneswar office

Name of the Related Party	Nature of Relationship
Shri Amitav Mishra (upto 31.05.2023)	Incharge, Rourkela office
Shri J.K. Patra (upto 07.06.2023)	Incharge, Rourkela office
Shri Dilip Kumar	Incharge, Bokaro office
Shri Amit Pal (upto 16.06.2023)	Incharge, Durgapur office
Shri Sandipan Kundu (w.e.f. 17.06.2023)	Incharge, Durgapur office
Shri Subrata Samanta (upto 30.11.2023)	Incharge, Finance
Shri Amitava Das Gupta (w.e.f. 01.12.2023)	Incharge, Finance
Shri S.K. Bage	Incharge, CSR
Shri D Acharya	Incharge, Legal
Shri Sujit Kumar (upto 16.11.2023)	Incharge, CCES
Shri Shivabrata Mandal (w.e.f. 17.11.2023)	Incharge, CCES
Shri Sharat Chandra Choudhary	Incharge, Iron Making
Shri Pankaj Kumar (upto 30.09.2023)	Incharge, Rolling Mills
Shri Rajeev Khillan (w.e.f. 01.10.2023)	Incharge, Rolling Mills
Shri Utpal Kumar Dey	Incharge, Coal & Coke Oven
Shri Prasanjit Mukherjee	Incharge, Steel Melting Shop
Shri A.K. Bairagi	Incharge, Power Plant & Electrical Engg
Shri D.K. Khandekar	Incharge, GMMB
Ms. Laxmi Mahto	Incharge, FS&PD
Shri Sanjoy Bhattacharya	Incharge, Port & Material Handling
Shri Bibhakar Jha	Incharge, Electrical -CRT
Shri Shailesh Saxena	Incharge, Electrical – D&C
Shri Ashok Pandey (upto 31.08.2023)	Incharge, Electrical – Power
Shri Himangshu Kumar Mondal (w.e.f. 08.09.2023 upto 29.02.2024)	Incharge, Electrical – Power
Shri Himangshu Kumar Mondal (w.e.f. 01.03.2024)	Incharge, Electrical – Power
Shri Jayanta Sarkar	Incharge, Non-Ferrous & Mineral Projects
Shri Kumud Ranjan	Incharge, Metallurgical Wing
Md. Iqbal Ahmad (upto 31.12.2023)	Incharge, GL&T
Shri K. Monaharan (w.e.f. 01.01.2024)	Incharge, GL&T
Shri Manoj Kumar (upto 29.02.2024)	Incharge, R & D
Shri Shashank (w.e.f. 01.03.2024)	Incharge, R & D
Shri U.K. Mishra	Incharge, Management Advisory Services
Shri Sanjit Kr. Dash	Incharge, IT Services
Shri P.K. Das	Incharge, Marketing
Shri Neelesh Binay Sokey	Incharge, Contracts
Shri K.T. Durai (upto 12.06.2023)	Incharge, Human Resources
Dr. Ravindra Agrawal (w.e.f. 13.06.2023)	Incharge, Human Resources
Ms. Asha Wazir Biswas (upto 30.11.2023)	Incharge, Corporate Management Services
Shri Rajeev Kumar Chaudhary (upto 12.09.2023)	Incharge, TA&CD
Shri Amrendra Kumar Singh (w.e.f. 13.09.2023)	Incharge, TA&CD
Shri Amitava Das Gupta (upto 30.11.2023)	Incharge, Internal Audit
Shri Bikash Kumar Agrawal (w.e.f. 01.12.2023)	Incharge, Internal Audit
Ms. M M Dasgupta	Incharge, Technical Services of CMD office
Shri Amrendra Kumar Singh	Incharge, Civil & Architecture
Shri Arijit Nath	Incharge, Structural



Name of the Related Party	Nature of Relationship
Shri Athi Rajasekharan	Incharge, Environment Engineering
Dr. Ravindra Agrawal (upto 11.06.2023)	Incharge, Inspection & Quality Assurance
Shri S. Mukherjee (w.e.f. 14.06.2023)	Incharge, Inspection & Quality Assurance
Shri Vinay Kumar Jha (upto 04.06.2023)	Incharge, NMDC Project
Shri PP Roy (w.e.f. 05.06.2023)	Incharge, NMDC Project
Shri Joydeep Dasgupta	Incharge, SAIL Projects
Shri Joydeep Dasgupta	Incharge, Project Planning & Monitoring
Shri Anil Kumar Jha	Incharge, Infrastructure - Jharkhand
Shri S. Ghosal	Incharge, Purchase & Stores

ii) **The details of transactions between the Company and the Related Parties other than Key Managerial Personnel:**

(₹ in lakhs)

Sl. No.	Name of the related party	M/s.Metallurgical & Engineering Consultants (Nigeria) Limited	
		2023-24	2022-23
	<b>Particulars</b>		
1.	Transaction during the period	NIL	NIL
2.	Outstanding Balances as at the end of the period	NIL	NIL

(₹ in lakhs)

Sl. No.	Name of the related party	Board of Trustees, MECON Employees' Provident Fund and Gratuity Fund	
		2023-24	2022-23
	<b>Particulars</b>		
1.	Transaction during the period	3,700.06	2,343.75
2.	Outstanding Balances as at the end of the period	NIL	NIL

iii) **The details of transactions and balances pertaining to Key Managerial Personnel:**

(₹ in lakhs)

Sl. No.	Particulars	2023-24	2022-23
1.	Short-Term Employee Benefits	2,503.86	2,108.20
2.	Post Employment Benefits	1,462.24	435.85
3.	Other Long-Term Benefits	1,744.02	257.31
4.	Termination Benefits	----	---
5.	Share-based Payment	----	---
6.	Sitting fees	----	1.85
7.	Outstanding Balances as at the end of the period	NIL	NIL

Short-Term Employee Benefits excludes medical facilities provided at Company's hospital, monetary value of which is not ascertainable.

iv) **Government-related Entities**

The Company is a wholly owned Government of India, Central Public Sector Enterprise under the administrative control of Ministry of Steel. The Company applies exemption from detailed disclosures required under Ind AS-24 with respect to related party transactions and outstanding balances, including commitments, with Government and Government related Entities. The significant transactions are with other Central Public Sector Enterprises which are under control of Government of India. The transactions with such entities are normal, based on market driven rates at arms length price.

a) Name of Government-related entities and description of relationship wherein significant amount of transaction carried out :

Sl. No.	Government-related Entities	Relationship
1.	Bharat Electronics Limited	Central Public Sector Enterprise
2.	Bharat Petroleum Corporation Limited	Central Public Sector Enterprise
3.	Bharat Sanchar Nigam Limited	Central Public Sector Enterprise
4.	Burn Standard Company Limited	Central Public Sector Enterprise
5.	Central Coalfields Limited	Central Public Sector Enterprise
6.	Coal India Limited	Central Public Sector Enterprise
7.	Eastern Coalfields Limited	Central Public Sector Enterprise
8.	GAIL (India) Limited	Central Public Sector Enterprise
9.	GAIL (GAS) Limited	Central Public Sector Enterprise
10.	Hindustan Copper Limited	Central Public Sector Enterprise
11.	Hindustan Petroleum Corporation Limited	Central Public Sector Enterprise
12.	Indian Oil Corporation Limited	Central Public Sector Enterprise
13.	Indian Rare Earths Limited	Central Public Sector Enterprise
14.	KIOCL Limited	Central Public Sector Enterprise
15.	Mahanadi Coalfields Limited	Central Public Sector Enterprise
16.	Mangalore Refinery & Petrochemicals Limited	Central Public Sector Enterprise
17.	National Aluminium Company Limited	Central Public Sector Enterprise
18.	NLC India Limited	Central Public Sector Enterprise
19.	NTPC LIMITED	Central Public Sector Enterprise
20.	NMDC Limited	Central Public Sector Enterprise
21.	NMDC Steel Limited	Central Public Sector Enterprise
22.	Nuclear Power Corporation of India Limited	Central Public Sector Enterprise
23.	Oil India Limited	Central Public Sector Enterprise
24.	Oil & Natural Gas Corporation Limited	Central Public Sector Enterprise
25.	Rashtriya Ispat Nigam Limited	Central Public Sector Enterprise
26.	Steel Authority of India Limited	Central Public Sector Enterprise
27.	Uranium Corporation of India Limited	Central Public Sector Enterprise
28.	Ministry of Steel	Administrative Ministry

b) Transactions with Government-related Entities :

(₹ in lakhs)

Sl. No.	Name of the Entity	Nature of Transaction	2023-24	2022-23
<b>Rendering of Services:</b>				
1.	Bharat Electronics Limited	Revenue	182.16	178.83
2.	Bharat Petroleum Corporation Limited	Revenue	830.20	(-) 3.72
3.	GAIL (India) Limited	Revenue	3,592.10	3,144.69
4.	GAIL (GAS) Limited	Revenue	3,424.35	-
5.	GAIL (India) Limited	Estate Income	219.18	200.27
6.	Hindustan Petroleum Corporation Limited	Revenue	828.50	1,529.98
7.	Indian Oil Corporation Limited	Revenue	203.52	259.61



(₹ in lakhs)

Sl. No.	Name of the Entity	Nature of Transaction	2023-24	2022-23
8.	Indian Rare Earths Limited	Revenue	106.54	-
9.	KIOCL Limited	Revenue	600.63	160.05
10.	Mangalore Refinery & Petrochemicals Limited	Revenue	77.58	2.66
11.	National Aluminium Company Limited	Revenue	4,679.23	4,883.50
12.	NMDC Limited	Revenue	1,739.16	1,682.59
13.	NMDC Steel Limited	Revenue	24,098.50	11,603.58
14.	NTPC LIMITED	Revenue	111.28	5.09
15.	Oil India Limited	Revenue	231.61	19.33
16.	Oil & Natural Gas Corporation Limited	Revenue	-	18.37
17.	Rashtriya Ispat Nigam Limited	Revenue	273.12	139.16
18.	Steel Authority of India Limited	Revenue	12,147.65	21,195.52
19.	Steel Authority of India Limited	Sharing of Common Expenses	605.94	717.64
20.	Uranium Corporation of India Limited	Revenue	198.41	778.38
21.	Eastern Coalfields Limited	Revenue	4,102.02	3,532.66
22.	Mahanadi Coalfields Limited	Revenue	4,352.06	3,660.55
23.	Ministry of Steel	Revenue	113.68	314.55
24.	Others	Revenue / Others	384.98	156.32
<b>Receiving of Services:</b>				
1.	Steel Authority of India Limited	Procurement of Materials / Estate Charges	33.18	57.58
2.	Bharat Sanchar Nigam Limited	Telecommunication Charges	27.18	42.31
3.	NMDC Steel Limited	Estate Charges	107.85	-
4.	RailTel Corporation of India Limited	Internet Leased Line Charges	23.61	51.83
5.	Others	Telecommunication / Consulting / Estate Charges, etc.	19.74	64.73
<b>Amount Receivable:</b>				
1.	Bharat Electronics Limited	Trade Receivable	373.00	493.68
2.	Bharat Petroleum Corporation Limited	Trade Receivable	432.76	214.96
3.	Burn Standard Company Limited	Trade Receivable	64.44	64.44
4.	Coal India Limited	Deposits Receivable	12.50	100.00
5.	Central Coalfields Limited	Trade Receivable	164.57	213.62
6.	GAIL (India) Limited	Deposits Receivable	141.79	61.47
7.	GAIL (India) Limited	Trade Receivable	5,639.07	6,785.08
8.	GAIL (GAS) Limited	Trade Receivable	2,372.14	-
9.	Hindustan Petroleum Corporation Limited	Trade Receivable	864.14	2,067.66
10.	Indian Oil Corporation Limited	Trade Receivable	196.59	257.76
11.	KIOCL Limited	Trade Receivable	380.41	47.98
12.	National Aluminium Company Limited	Trade Receivable	4,146.86	2,341.95

(₹ in lakhs)

Sl. No.	Name of the Entity	Nature of Transaction	2023-24	2022-23
13.	NLC India Limited	Trade Receivable	730.81	797.35
14.	NMDC Limited	Trade Receivable	2,480.78	990.26
15.	NMDC Steel Limited	Trade Receivable	14,363.92	1,933.45
16.	Northern Coalfields Limited	Deposits Receivable	100.00	-
17.	Oil India Limited	Trade Receivable	172.86	152.45
18.	Oil & Natural Gas Corporation Limited	Trade Receivable	150.71	180.22
19.	Rashtriya Ispat Nigam Limited	Trade Receivable	2,893.44	2,755.20
20.	Steel Authority of India Limited	Trade Receivable	13,129.34	13,618.84
21.	Uranium Corporation of India Limited	Trade Receivable	2,647.33	3,035.81
22.	Eastern Coalfields Limited	Trade Receivable	3,649.69	1,295.72
23.	Eastern Coalfields Limited	Deposits Receivable	308.32	150.31
24.	Hindustan Copper Limited	Trade Receivable	50.02	55.86
25.	Mahanadi Coalfields Limited	Trade Receivable	2,700.35	2,786.48
26.	Mahanadi Coalfields Limited	Deposits Receivable	597.39	307.99
27.	Ministry of Steel	Trade Receivable	267.99	371.17
28.	Others	Trade Receivable / Deposits Receivable	215.62	750.48

The above transactions with the Government-related Entities cover transactions that are significant individually. The Company has also entered into transactions, with other various Government-related Entities, which are insignificant, individually and hence not disclosed individually.

#### 42.11 DISCLOSURE UNDER IND AS-28 ON "INVESTMENTS IN ASSOCIATES AND JOINT VENTURES"

As per Ind AS-28 "Investments in Associates and Joint Ventures", the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture company, incorporated in Nigeria, are given below:

(₹ in lakhs)

Name of the Joint Venture Company	% of Company's Ownership Interest	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
Metallurgical & Engineering Consultants (Nigeria) Limited	50 (50)	3.41 (3.41)	313.36 (313.36)	11.76 (11.76)	46.14 (46.14)	NIL (NIL)	NIL (NIL)

Figures in bracket relates to previous year

The above figures are based on the audited accounts of Metallurgical & Engineering Consultants (Nigeria) Ltd. for the year ending 31.12.2014. Reporting currency of Metallurgical & Engineering Consultants (Nigeria) Ltd. is Naira.

Assets and Liabilities are reported using the closing rate of exchange as on 31.12.2014 whereas Income and Expenditure are reported using the average exchange rate in force during the year 2014 as available.



## 42.12 DISCLOSURE UNDER IND AS-33 ON "EARNINGS PER SHARE"

### Calculation of Earnings per Share:

Sl. No.	Particulars	2023-24	2022-23
a)	Net Profit / (Loss) for the period attributable to Equity Shareholders (₹ in lakhs)	2,452.00	3,100.93
b)	Weighted average number of Equity Shares (Refer Note 21)	4,01,38,360	4,01,38,360
c)	Earnings Per Share (Basic and Diluted) (a) / (b) (in ₹)	6.11	7.73
d)	Face Value per share (in ₹)	10.00	10.00

## 42.13 DISCLOSURE AS PER IND AS-108 ON "OPERATING SEGMENTS"

### A. General Information

- i) The Company has identified three "**Strategic Business Units**" (SBUs) as "Operating Segments". These "Operating Segments" are reported based on nature of services offered by these segments, technology / marketing strategies of the businesses, organization structure & the management reporting system.

#### Operating Segment Composition:

- a) "**Metals**" includes Iron & Steel, Rolling Mills, Non-Ferrous, Raw Materials & Mining, Refractories, etc.
- b) "**Energy**" includes Renewable Energy, Power plant- Thermal & Hydel, Transmission & Distribution, RLA & RMU studies, Oil & Gas pipelines, Petro-chemical & Refineries, POL Depots, Retail Outlets etc.
- c) "**Infrastructure**" includes Architecture & Town Planning, Ports & Material Handling, Roads, Highways, Bridges, & Flyovers, Defence, Environmental & Hydro engineering, Management Advisory Services, Information Technology etc.
- ii) The SBUs are monitored by the Board of Directors, who is collectively the Company's Chief Operating Decision Maker (CODM) and strategic decisions about performance assessment are made on the basis of Segment Operating Results.
- iii) **Segment Revenue** comprises Revenue from Engineering & Consultancy Services, Revenue from Construction Contracts (including Deposit Works), Revenue from Procurement Services and Revenue from Operation & Maintenance Services for the Jobs in India and abroad.
- iv) Unallocated corporate expenditure includes expenses incurred on corporate services provided to Operating Segments and other expenses not allocable on a reasonable basis to Operating Segments.
- v) **Segment Assets and Segment Liabilities** represent operating assets and liabilities respectively which are directly attributable to the segment or allocated to the segment on a reasonable basis.
- vi) Property, Plant & Equipment and Intangible Assets used in the company's business are common in nature for all by and large and therefore are not directly attributable to the segment or can be allocated to the segment on a reasonable basis. However, depreciation, amortization and impairment expenses, if any, are allocated to segment based on manhours consumed.

**B. Information / Reconciliation of Reportable Segment Profit or Loss, Assets and Liabilities**

(₹ in lakhs)

SEGMENTS		METALS		ENERGY		INFRASTRUCTURE		TOTAL	
Particulars		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>I.</b>	<b>SEGMENT REVENUE</b>								
a.	Segment Revenue from External Customers	<b>49,658.55</b>	48,109.66	<b>14,577.09</b>	15,843.55	<b>28,143.37</b>	21,543.51	<b>92,379.01</b>	85,496.72
b.	Intersegment Revenues	-	-	-	-	-	-	-	-
c.	Other Operating Revenue	<b>4,256.16</b>	2,510.40	<b>3,198.43</b>	262.99	<b>1,448.83</b>	675.81	<b>8,903.42</b>	3,449.20
	<b>REVENUE FROM OPERATIONS</b>	<b>53,914.71</b>	50,620.06	<b>17,775.52</b>	16,106.54	<b>29,592.20</b>	22,219.32	<b>101,282.43</b>	88,945.92
a.	Unallocated Interest and Other Income	-	-	-	-	-	-	<b>5,045.50</b>	5,648.37
<b>II.</b>	<b>TOTAL INCOME</b>	<b>53,914.71</b>	50,620.06	<b>17,775.52</b>	16,106.54	<b>29,592.20</b>	22,219.32	<b>106,327.93</b>	94,594.29
<b>III.</b>	<b>SEGMENT RESULTS [Profit/(Loss)]</b>	<b>(1,135.87)</b>	(3,029.26)	<b>1,355.47</b>	(101.10)	<b>1,186.97</b>	(307.74)	<b>1,406.57</b>	(3,438.10)
a.	Interest Income	-	-	-	-	-	-	<b>3,912.73</b>	2,730.27
b.	Non Operating Income	-	-	-	-	-	-	<b>1,132.77</b>	2,918.10
c.	Finance Costs	-	-	-	-	-	-	<b>445.53</b>	221.44
d.	Non Operating Loss	-	-	-	-	-	-	<b>2.22</b>	1.65
e.	Accretion / (Decretion) to Jobs-in-Progress	-	-	-	-	-	-	<b>(796.47)</b>	(687.14)
f.	Disposal of Investments	-	-	-	-	-	-	-	2,100.76
<b>IV.</b>	<b>PROFIT/(LOSS) BEFORE TAX</b>	-	-	-	-	-	-	<b>5,207.85</b>	3,400.80
	Income Taxes	-	-	-	-	-	-	<b>2,755.85</b>	299.87
<b>V.</b>	<b>PROFIT/(LOSS) AFTER TAX</b>	-	-	-	-	-	-	<b>2,452.00</b>	3,100.93
<b>VI.</b>	<b>OTHER INFORMATION</b>								
a.	Segment Assets	<b>54,400.64</b>	32,849.53	<b>18,957.35</b>	19,425.93	<b>17,078.43</b>	14,820.69	<b>90,436.42</b>	67,096.15
b.	Unallocated Corporate Assets	-	-	-	-	-	-	<b>79,022.68</b>	77,575.74
<b>c.</b>	<b>Total Assets</b>	-	-	-	-	-	-	<b>169,459.10</b>	144,671.89
d.	Segment Liabilities	<b>56,174.92</b>	42,652.60	<b>13,581.68</b>	21,129.75	<b>38,235.18</b>	26,577.97	<b>107,991.78</b>	90,360.32
e.	Unallocated Corporate Liabilities	-	-	-	-	-	-	<b>17,470.47</b>	14,867.52
<b>f.</b>	<b>Total Liabilities</b>	-	-	-	-	-	-	<b>125,462.25</b>	105,227.84
g.	Depreciation & Amortisation	<b>569.85</b>	386.41	<b>397.56</b>	279.25	<b>129.25</b>	80.32	<b>1,096.66</b>	745.98
h.	Non-Cash Expenses other than Depreciation	<b>543.99</b>	2,960.71	<b>1,371.97</b>	1,559.19	<b>334.33</b>	650.22	<b>2,250.29</b>	5,170.12
i.	Capital Employed	-	-	-	-	-	-	<b>35,103.53</b>	27,636.22



### C. Information about geographical areas

Disclosure of Information on Geographical Segment is not made considering the nature of business activities / operations being carried out by the Company mainly within the country and therefore there is no reportable geographical segment.

### D. Information about major customers

During the year 2023-24, ₹38,362.73 lakhs (Previous Year ₹33,945.53 lakhs) of Company's revenues, each exceeding 10% in the "Metals" Segment, are derived from 2 (two) (Previous Year 2 (two)) external customers.

During the year 2023-24, ₹9,847.01 lakhs (Previous Year ₹58.82 lakhs) of Company's revenues, each exceeding 10% in the "Energy" Segment, are derived from 3 (three) (Previous Year 1 (one)) external customers.

During the year 2023-24, ₹22,263.55 lakhs (Previous Year ₹477.34 lakhs) of Company's revenues, each exceeding 10% in the "Infrastructure" Segment, are derived from 5 (five) (Previous Year 2 (two)) external customers.

## 42.14 : DISCLOSURE AS PER IND AS-115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

a) Disaggregation of revenue into operating segments and geographical areas:

As at 31st March, 2024

(₹ in lakhs)

Segment	Revenue as per Ind AS 115			Other Operating Revenue	Total as per Profit & Loss / Segment Reporting
	Domestic	Foreign	Total		
Metals	49,600.16	58.39	49,658.55	4,256.16	53,914.71
Energy	14,463.76	113.33	14,577.09	3,198.43	17,775.52
Infrastructure	28,143.37	-	28,143.37	1,448.83	29,592.20
<b>Total</b>	<b>92,207.29</b>	<b>171.72</b>	<b>92,379.01</b>	<b>8,903.42</b>	<b>1,01,282.43</b>

As at 31st March, 2023

(₹ in lakhs)

Segment	Revenue as per Ind AS 115			Other Operating Revenue	Total as per Profit & Loss / Segment Reporting
	Domestic	Foreign	Total		
Metals	48,089.60	20.06	48,109.66	2,510.40	50,620.06
Energy	15,795.98	47.57	15,843.55	262.99	16,106.54
Infrastructure	21,543.51	-	21,543.51	675.81	22,219.32
<b>Total</b>	<b>85,429.09</b>	<b>67.63</b>	<b>85,496.72</b>	<b>3,449.20</b>	<b>88,945.92</b>

b) The opening and closing balances of contract assets and contract liabilities from contracts with customers are presented below:-

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Contract Assets – Unbilled Revenue	1,441.86	2,826.67
Contract Liabilities <i>(The contract liability primarily relates to the advances from customer. Revenue is recognized from the contract liability on proportionate basis as and when such performance obligations are satisfied)</i>	7,513.98	2,958.73

- c) During the year 2023-24, an amount of ₹363.37 lakhs (Previous Year (Upto 31st Mar 2023) ₹131.16 lakhs) is recognized as revenue from opening contract liabilities.
- d) The aggregate value of remaining performance obligations that are completely or partially unsatisfied as at 31st March, 2024 is ₹3,98,167.33 lakhs (Previous Year ₹3,58,296.86 lakhs). The conversion to revenue is highly dependent on meeting the delivery schedules, contractual terms and conditions with customers, availability of clients' sites, changes / variation in scope / prices etc. In view of these, it is not practical to define the accurate percentage of conversion to revenue. However, the company recognizes this as revenue as and when performance obligations are satisfied.
- e) **Determining the timing of satisfaction of performance obligations:-** The Company recognizes revenue using Output method based on satisfaction of the performance obligation/ right to receive payment. Output method measures progress towards satisfaction of performance obligations in a manner that provides a faithful depiction of the transfer of goods or services.
- f) **Determining the transaction price with respect to estimating variable consideration:-** In cases where liquidated damages arises out of contractual terms when the work is not completed within the completion schedule or for non-achievement of any parameter, the liquidated damages amount is adjusted from the contract fee for revenue recognition.
- g) **Reconciliation of contracted price with revenue recognized during FY 2023-24 (upto 31.03.2024)-**  
(₹ in lakhs)

Description	Amount
Contracted Price #	1,03,637.26
Less : Net impact on account of Invoices Raised but Income not accrued during FY 2023-24 due to Variable Considerations, Down Payment Invoices and other reasons	9,873.44
Add : Additions due to unbilled revenue	1,441.86
Less : Unbilled revenue accrued during FY 2022-23 but invoices raised during FY 2023-24	2,826.67
<b>Revenue recognized as per Ind AS 115 during FY 2023-24</b>	<b>92,379.01</b>

# Contracted Price refers to value of Invoices raised during FY 2023-24 net of credit notes issued and other adjustments.

- h) Revenue from foreign jobs is recognized on the basis of value of invoices raised in line with approved accounting policy and Indian Accounting Standards as applicable.
- 42.15 The Company has recognized revenue against Procurement Services and Deposit Works towards fees as well as corresponding expenses incurred upto 31.03.2021. However, from 01.04.2021, the revenue against Procurement Services and Deposit Works from UCIL jobs has been recognized to the extent of fees only.
- 42.16 In line with Ind AS 116 "Leases", the Company as a lessee recognizes Right-of-Use Asset and corresponding Lease Liability as a measure of the present value of remaining lease payments except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- The Company has taken certain offices, residential premises, etc. on leases which are cancellable by giving appropriate notices as per respective agreements. During the year 2023-24, an amount of ₹215.94 lakhs (Previous Year ₹355.53 lakhs) has been accounted for as rental charges in respect of these cancellable leases.
- The Company has given certain office, residential premises, etc on leases which are cancellable by giving appropriate notices as per respective agreements. During the year 2023-24, an amount of ₹270.81 lakhs (Previous Year ₹263.42 lakhs) has been accounted for as rental income in respect of these cancellable leases.
- 42.17 Considering the nature of Company's business and the type of assets held by the Company, there is no indication of loss due to impairment of assets as at 31<sup>st</sup> March, 2024 as per Ind AS- 36.



42.18 Information in respect of micro and small enterprises as required by Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) read with notification of Ministry of Corporate Affairs dated 11<sup>th</sup> October, 2018 to the extent information available with the Company are as under:

(₹ in lakhs)

Sl. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Amount remaining unpaid to any supplier:		
	- Principal Amount, remaining unpaid		
	• due but not payable on reporting date	6,854.31	8,665.91
	• due and payable	1,157.38	788.68
	- Interest due on Principal Amount, remaining unpaid	----	----
(b)	Amount of interest paid in terms of Section 16 of the MSMED Act along with the amount paid to the suppliers beyond appointed day during the year	----	----
(c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	----	----
(d)	Amount of interest accrued and remaining unpaid at the end of the year	----	----
(e)	Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	----	----

42.19 Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss, unused tax credits (MAT Credit entitlement) or deductible temporary difference will be utilized against future taxable income. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

42.20 Wage revision is due for non-executive employees w.e.f. 01.01.2017. During the year 2023-24 provision has been made for ₹ 99.11 lakhs (cumulative provision ₹ 858.18 lakhs) (Previous Year ₹219.77 lakhs (cumulative provision ₹759.07 lakhs)) towards wage revision in respect of non-executive employees, based on estimate and information as available, etc.

42.21 Advance of ₹756.86 lakhs was given to M/s Mysore Construction Company (W.O. No. 11.51/Q6AA/Civil/7720 dated 05.12.2005) against valid Bank Guarantees. The Company lodged claims within due date against Bank Guarantees submitted by the party. However, M/s Mysore Construction Company sought injunction against the encashment of Bank Guarantee from Hon'ble Principal District Court at Cuddalore. Hon'ble Principal District Court, Cuddalore directed M/s Mysore Construction Company to keep the Bank Guarantees in existence till disposal of petition. Thus, the advance of ₹756.86 lakhs given to M/s Mysore Construction Company is fully secured and covered by the Bank Guarantees submitted by the party.

The money suit of ₹1,150.00 lakhs claimed by M/s Mysore Construction Company, is subjudice and covered under Contingent Liabilities.

42.22 Note No. 40.1 (v) includes contingent liability in r/o M/s NP Construction (a sub-contractor of MECON) who had filed an application before Jharkhand Micro and Small Enterprises Facilitation Council (Council) (MSEFC) claiming outstanding payment of ₹ 1,149.96 Lakhs plus interest thereon against work orders related to Coke Oven Battery # 1,2 and 5 of Bokaro Steel Plant. The Company had already paid an amount of ₹ 1,090.24 Lakhs to them successively based on Minutes of Meeting (MOM) dated 02.08.2019. MECON has refuted the balance claim being not payable as the same was agreed by M/s NP Construction vide MOM dated 02.08.2019. The MSEFC vide order dated 24.08.2021, awarded the balance of the claimed amount by NP Construction along with interest as per MSMED Act. Subsequently, the Company filed Writ Petition with Hon'ble High Court of Jharkhand to challenge order of MSEFC and the Writ Petition has been dismissed. Thereafter, MECON has filed an SLP before the Supreme Court of India. As per order of Supreme Court, there is stay on realization of any amount pursuant to MSME order in favour of MECON Limited subject to deposit of ₹ 700 lakhs by MECON Limited. MECON has deposited the amount and the stay is in operation.

Since the matter is sub-judice, the balance amount of claim for ₹ 59.71 Lakhs plus interest thereon is disclosed under Contingent Liability.

## 42.23 Financial Instruments :

Financial assets / liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted. Subsequent to initial recognition, all financial assets are measured either at amortised cost or at fair value. Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method.

### a) Risk Management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management is coordinated at its headquarters by close interaction with other offices, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets. The most significant financial risk to which the Company is exposed is credit risk.

#### Credit Risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- Cash and cash equivalents
- Trade Receivables
- Other financial assets

The Company continuously monitors defaults of clients and customers and other counterparties, identified either individually or by the Company, and incorporated this information into its credit risk controls.

#### i) Credit risk management

##### Cash and cash equivalent

Credit risk related to cash and cash equivalents is managed by only accepting highly rated bank deposits and accounts in different banks across the country.

##### Trade Receivables

The Company closely monitors the credit-worthiness on the Trade Receivables.

##### Other financial assets

Other financial assets for example loans and advance to employees and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amount continuously.

#### ii) Expected credit losses

Company provides expected credit losses based on the following:

##### Trade Receivables

The Company recognizes lifetime expected credit losses on Trade Receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

(₹ in lakhs)

Ageing As at 31 <sup>st</sup> March, 2024	0-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount	39,199.25	2,325.86	4,068.94	6,298.46	23,002.50	74,895.01
Expected credit loss / provision/ Other Liabilities	456.62	73.15	1,064.13	1,718.19	22,802.50	26,114.59
Carrying amount of trade receivables (Net of impairment)	38,742.63	2,252.71	3,004.81	4,580.27	200.00	48,780.42



(₹ in lakhs)

Ageing As at 31 <sup>st</sup> March, 2023	0-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount	25,744.62	4,491.83	7,499.35	3,446.68	25,840.90	67,023.38
Expected credit loss / provision/ Other Liabilities	812.78	1,381.20	1,029.00	1,039.04	25,640.90	29,902.92
Carrying amount of trade receivables (Net of impairment)	24,931.84	3,110.63	6,470.35	2,407.64	200.00	37,120.46

**Reconciliation of Expected Credit Loss / Provision /Other Liabilities against Trade Receivables**

(₹ in lakhs)

Particulars	Amount
As at 31 <sup>st</sup> March, 2023	29,902.92
Changes in Expected Credit Loss / Provision /Other Liabilities	(3,788.33)
As at 31 <sup>st</sup> March, 2024	26,114.59

**Other financial assets**

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes financial assets of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

**b) Financial Instruments by Category**

(₹ in lakhs)

PARTICULARS	FVTPL		FVTOCI		AMORTISED COST	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
<b>Financial Assets</b>						
Investments	--	--	--	--	11.92	11.92
Trade Receivables	--	--	--	--	48,780.42	37,120.46
Loans	--	--	--	--	584.87	881.54
Cash & Cash Equivalents	--	--	--	--	25,837.00	15,463.11
Other Bank Balances	--	--	--	--	54,614.43	48,786.80
Other Financial Assets	--	--	--	--	8,925.36	9,565.95
<b>TOTAL</b>	--	--	--	--	1,38,754.00	1,11,829.78
<b>Financial Liabilities</b>						
Borrowings	--	--	--	--	--	--
Trade Payables	--	--	--	--	28,882.15	26,057.03
Other Financial Liabilities	--	--	--	--	25,493.56	25,444.08
<b>TOTAL</b>	--	--	--	--	54,375.71	51,501.11

## 42.24 Fair Value Measurements

### a) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 : Inputs are quoted prices (unadjusted) in active markets for financial instruments.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability

### b) Financial Instruments measured at fair value – recurring fair value measurements

(₹ in lakhs)

Particulars	Level 1		Level 2		Level 3		Total	
	As at 31.03.2024	As at 31.03.23	As at 31.03.2024	As at 31.03.23	As at 31.03.2024	As at 31.03.23	As at 31.03.2024	As at 31.03.23
Investment (Current) – Investment in Mutual Funds	NIL	NIL	----	----	----	----	NIL	NIL

### c) Valuation process and technique used to determine fair value:

- The carrying amount of financial assets and liabilities are considered to be representative of their fair value.
- Investments in associate and joint venture are measured at cost.
- Investment in mutual funds are measured based on Net Asset Value.

**42.25 Undisclosed Income:** There has been no such instances of transactions which were not recorded in the books of accounts of the Company that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

## 42.26 Additional Regulatory Information

### a) Title deeds of immovable properties not held in name of the company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. In Lakhs)	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
Property, Plant and Equipment	(i) 10.25 acres of Land for Administrative Building at H.O., Ranchi	2.69	Govt. of Jharkhand	No	25.10.1962	Execution of Deed of Conveyance is under process with Govt. of Jharkhand. We are chasing for same with Secretary Building Construction Dept. & Secretary Land and Revenue Department of Govt. of Jharkhand.
	(ii) Office Space / Building at SCOPE Minar, Laxmi Nagar, New Delhi (13 <sup>th</sup> & 15 <sup>th</sup> Floor)	1,193.30	SCOPE	No	23.12.2004	The office building at Scope Minar, Delhi has been acquired on contribution basis without ownership.



- b) Considering the nature of Company's business, no investment property is held by the Company. Further, the items of Property, Plant and Equipments (including Right-of-Use Assets) and Intangible Assets are recognised at cost. As such, valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 is not required.
- c) Loans or advances to specified persons that are repayable on demand; or without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	NIL	NIL
Directors	NIL	NIL
KMPs	NIL	NIL
Related Parties	NIL	NIL

- d) **Capital Work-In-Progress (CWIP) Ageing Schedule**

(₹ in lakhs)

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	115.91	----	41.19	----	157.10
Projects temporarily suspended	----	----	----	----	----

- e) Capital Work-In-Progress (CWIP) Completion Schedule for projects whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress</b>				
Electrical Cables	----	----	41.19	----
Surface Aerator	24.54	----	----	----
Adoption of 3D based software	33.61	----	----	----
<b>Projects temporarily suspended</b>	----	----	----	----

- f) Intangible assets under development Ageing Schedule

(₹ in lakhs)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	----	----	----	----
Projects temporarily suspended	----	----	----	----

- g) Intangible assets under development Completion Schedule for projects whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	----	----	----	----
Projects temporarily suspended	----	----	----	----

- h) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- i) The Company has availed bank overdraft facilities from banks on the basis of security of fixed deposits with the respective banks which are in agreement with the books of accounts of the Company.
- j) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- k) Relationship with Struck off Companies

(₹ in lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
NICCO POWER PROJECTS PRIVATE LIMITED	Payables	26.30	Vendor
PYROTECH ELECTRONICS PRIVATE LIMITED	Payables	0.05	Vendor
MILDTRIX BUSINESS SOLUTIONS PVT LTD	Payables	0.31	Vendor
HUNTING HAWKS SECURITY AND FACILITY SERVICES PVT. LTD	Payables	128.93	Vendor
VALLAB ENGINEERS PVT. LTD.	Payables	8.13	Vendor
BURN STANDARD COMPANY LIMITED	Receivables	64.44	Client
THE WEST BENGAL POWER DEVELOPMENT CORPORATION LIMITED	Receivables	0.94	Client
ZOOM DEVELOPERS PRIVATE LIMITED	Receivables	10.47	Client
SAIL & MOIL FERRO ALLOYS PRIVATE LIMITED	Receivables	0.06	Client

- l) Registration of charges or satisfaction with Registrar of Companies (ROC): There are no pending charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- m) Compliance with number of layers of companies: Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.
- n) Compliance with approved Scheme(s) of Arrangements: The Company does not have any approved Scheme(s) of Arrangements.
- o) Utilisation of Borrowed funds and share premium: The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities. Also, the Company has not received any fund from any person(s) or entity(ies) including foreign entities (Funding Party).



## p) Disclosure of Ratios

Sl. No.	Particulars	Numerator	Denominator	Current Year	Previous Year	%age change over previous year	Reason for change by more than 25%
1.	Current ratio	Current Assets	Current Liabilities	1.51	1.66	(-) 9.04%	----
2.	Debt – Equity Ratio	Total Debt	Shareholder's Equity	NIL	NIL	----	----
3.	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NIL	NIL	----	----
4.	Return on Equity	Net Profit after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.06	0.08	(-) 25.00%	Decrease in PAT
5.	Inventory Turnover Ratio	Considering the nature of the business of the Company, being engineering, consultancy and contracting organisation, inventories carried are entirely for in-house consumption. Hence, inventory turnover ratio is not computed					
6.	Trade Receivables Turnover ratio	Turnover	Average Trade Receivables	2.15	2.27	(-) 5.29%	----
7.	Trade Payables Turnover ratio	Total Purchases	Average Trade Payables	2.04	1.97	3.55%	----
8.	Net Capital Turnover ratio	Turnover	Working Capital	1.81	1.78	1.69%	----
9.	Net Profit ratio	Profit After Tax	Turnover	0.03	0.04	(-) 25.00%	Decrease in PAT
10.	Return on Capital Employed	Profit Before Interest & Taxes	Capital Employed	0.16	0.13	23.08%	----
11.	Return on investment	Not Applicable, as the Company do not have any investments in any listed or tradable securities.					

Note: Ratios presented above have been truncated to two places of decimal. Further, reason for changes over previous year has been mentioned in cases where there has been any change in the ratio by 25% or more.

**42.27 Disclosure on Corporate Social Responsibility (CSR)**

(₹ in lakhs)

Particulars	2023-24	2022-23
Shortfall brought forward from last year	223.05	193.35
Add : Amount required to be spent by the Company during the year and allocation of fund	48.40	83.75
Less : Amount spent during the year on:		
a) CSR Projects / Programs, etc.	45.03	44.66
b) Others (including contribution to PM Cares Fund)	79.66	16.79
Total Amount Spent #	124.69	61.45
Shortfall at the end of the year ##	146.76	215.65
# a) Amount of expenditure incurred out of the amount required to be spent by the Company during the year	23.22	4.09
## a) Shortfall at the end of the year out of the amount required to be spent by the Company during the year	32.58	79.66
b) Total of previous years shortfall	114.18	135.99
Balance available for CSR Activities at the start of the year	223.05	193.35
Add : Surplus not forming part of business profit	4.14	7.40
Balance available for CSR Activities at the close of the year	150.90	223.05
Reason for shortfall	Several CSR Projects / Programs could not be taken up due to delay in issue of work order, work under process, non-submission of invoices by contractors, bills processing pending due to insufficient documents, etc.	
Nature of CSR Activities	Nutrition, Healthcare, Education, Skill Development & Livelihood	
Details of related party transactions in relation to CSR Expenditure as per relevant Accounting Standard	NIL	
Movements in the provision during the year where a provision is made with respect to a liability incurred by entering into a contractual obligation	NIL	

42.28 The Company has not traded or invested in Crypto-currency or Virtual currency during the financial year 2023-24.

42.29 Pursuant to the completion of Strategic Disinvestment process of Neelachal Ispat Nigam Limited (NINL), wherein the Company had equity investment of ₹500 lakhs, out of the Company's share of Gross Sales Consideration of ₹3,198.32 lakhs, the Company has received ₹2,538.69 lakhs (net of taxes of ₹3.20 lakhs) on 04.07.2022.

The balance sale proceeds of ₹656.43 lakhs (MECON's share out of ₹911.17 crores) have been kept in an interest bearing Escrow Account towards Tax / Non-Tax liabilities (Govt. dues of NINL), which shall be passed on to Sellers in the ratio of their stake-holding, if the claim against these dues have not been paid till the end of retention period (2 years for Non-Tax liabilities & 3 years for Tax liabilities). Out of ₹656.43 lakhs, an amount of ₹58.87 lakhs has been realized on 25.04.2023 and ₹0.90 lakhs shall be paid to the relevant governmental authorities by NINL. Further, as this event is based on probable future outcome, the revenue for the same has not been recognized and balance deferred amount have been treated as Contingent Asset which amounts to ₹596.66 lakhs as on 31.03.2024.

42.30 Previous year's / year-to-date figures have been regrouped / recast wherever necessary in the Balance Sheet, Statement of Profit & Loss, Cash Flow Statement and Notes, etc.



# 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 Joint Venture	M/s Metallurgical & Engineering Consultants (Nigeria) Limited
1. Latest audited Balance Sheet Date	For the year ending on 31.12.2014
2. Date on which the Joint Venture was associated or acquired	28.10.1982
3. Shares of Joint Ventures held by the company on the year end	
No.	5000
Amount of Investment in Joint Venture	₹ 7.60 lakhs
Extent of Holding %	50%
4. Description of how there is significant influence	Majority of the members of the Board of M/s Metallurgical & Engineering Consultants (Nigeria) Limited are also Directors / Senior Managerial Personnel of MECON Limited.
5. Reason why the associate/joint venture is not consolidated	Consolidation is not applicable for Joint Venture company.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(-) ₹309.94 lakhs (50%)
7. Profit / Loss for the year	(-) ₹34.38 lakhs
i. Considered in Consolidation	Not Applicable
ii. Not Considered in Consolidation	Not Applicable

In terms of our report of even date

For K. PANDEYA & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
**(GOPAL SINGH)**  
PARTNER  
Memb.No.403581  
Firm Regn. No.000135C

For and on behalf of the Board of Directors

Sd/-  
**(MUKESH KUMAR)**  
DIRECTOR  
(FINANCE)  
DIN: 08778135

Sd/-  
**(SANJAY KUMAR VERMA)**  
CHAIRMAN AND  
MANAGING DIRECTOR  
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**(SUDESH KUMAR RATHI)**  
COMPANY  
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Sd/-  
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DY. GENERAL  
MANAGER I/C  
(FINANCE)

UDIN : 24403581BKEIQM4055

Place : Ranchi

Date : 29.06.2024







MECON is proud to receive Patent for "Travelling Grate Type Pellet Plant", (1.2 Mtpa Capacity) from Patent Office, GOI. It shall facilitate access to Indigenous & Robust design of Pellet Plants and testifies MECON's rich experience of design & execution of these plants.



MECON is proud to receive Patent from Patent Office, GOI for "Improved Blast Furnace and Operation thereof". MECON has developed in-house design of 4250 m³ Blast Furnace "LOHA 4250", testifying MECON's rich experience of decades in Blast Furnace Project execution



MECON & TATA Steel jointly received Patent for "System & Method for Zone Wise Induction Heat treatment of Sheet Blanks". The process envisages to develop tailored made Steel Sheet Blanks with different combination of microstructure and mechanical properties



MECON received Patent on 15.03.24 from Patent Office, GOI for 'Improved 7.0 m Tall Coke Oven Battery'. This is 2<sup>nd</sup> Patent granted to MECON for COB, bearing testimony to MECON's vast experience garnered during last 5 Decades in Coke Oven Battery Design & Execution.



MECON received Patent on 24.03.24 from Patent Office, GOI for "Infrared Camera Based Ladle Condition Monitoring System" using Cameras & Vision Algorithm. The system integration has been successfully designed, developed & commissioned for ladles in SMS-II Shop -RSP Rourkela, SAIL.



MECON has been granted Patent for "Basic Oxygen Furnace Vessel Suspension system" on 30.11.2023.



MECON has been granted Patent for "Improved 5.0 m Tall Coke Oven Battery" on 11.10.2023.



**मेकॉन लिमिटेड**  
(भारत सरकार का संस्थान)  
**MECON Limited**  
(A GOVT. OF INDIA ENTERPRISE)



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