

## **Independent Auditor's Report**

**To the Members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited)**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

1. We have audited the accompanying financial statements of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### **Basis for Opinion**

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

#### **Other Information**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

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

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited)  
Report on Audit of the Financial Statements

### **Responsibilities of management and those charged with governance for the financial statements**

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited)  
Report on Audit of the Financial Statements

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other legal and regulatory requirements**

10. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. 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), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited)  
Report on Audit of the Financial Statements

- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 persons or entities, 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 (Refer Note 24(xii) to the financial statements);
  - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 (Refer Note 24(xii) to the financial statements); and
  - (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
12. No managerial remuneration has been paid/ provided for by the Company during the year ended March 31, 2023.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number 060466

UDIN: 23060466BGXUXY4272  
Place : Kolkata  
Date : May 15, 2023

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements for the year ended March 31, 2023  
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### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements for the year ended March 31, 2023  
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### **Meaning of Internal Financial Controls with reference to financial statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number 060466  
UDIN : 23060466BGXUXY4272

Place : Kolkata  
Date : May 15, 2023

## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements as of and for the year ended March 31, 2023

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- i. (a) (A) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Property, Plant and Equipment and accordingly, reporting under this Clause is not applicable.  
  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) Matter specified in clause (i)(b) of paragraph 3 of the CARO, 2020 does not apply to the Company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (d) The Company has chosen cost model for its Right of Use assets and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Right of Use assets or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) Matter specified in clause (ii)(a) of paragraph 3 of the CARO, 2020 does not apply to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in two companies. The Company has not granted secured/unsecured loans/advances in nature of loans or stand guarantee or provided security to any company, firm, Limited Liability Partnership or other party during the year.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- (c) Matters specified in clauses 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of paragraph 3 of the CARO, 2020 does not apply to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the investments made by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements for the year ended March 31, 2023

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- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.  
  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.  
  
(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.  
  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.  
  
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any joint ventures or associate companies during the year.  
  
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.  
  
(b) The Company has made a preferential allotment/ private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements for the year ended March 31, 2023  
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information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. The Company is not mandated to have an internal audit system during the year.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
  - (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) Based on the information and explanations provided by the management of the Company, the Group has seven CICs as part of the Group as detailed in note 24(v) to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) on the financial statements for the year ended March 31, 2023  
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- xvii. The Company has incurred cash losses of Rs. 6.19 lakhs in the financial year and of Rs. 1.53 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 19 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number 060466  
UDIN : 23060466BGXUXY4272

Place : Kolkata  
Date : May 15, 2023

**Tata Steel Advanced Materials Limited**  
**(Formerly known as Tata Steel Odisha Limited)**  
**Balance Sheet as at March 31, 2023**

(₹ in Lakhs)

	Note	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Right-of-use assets	3	2.78	-
(b) Intangible asset	4	1,598.60	-
(c) Financial assets			
i) Investments	5	3,530.90	0.90
(d) Other assets	6	297.15	-
<b>Total non-current assets</b>		<b>5,429.43</b>	<b>0.90</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	7	1,091.66	299.73
(b) Other assets	6	-	0.06
<b>Total current assets</b>		<b>1,091.66</b>	<b>299.79</b>
<b>Total Assets</b>		<b>6,521.09</b>	<b>300.69</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	8	5,622.32	556.18
(b) Other equity	9	887.11	(262.99)
<b>Total Equity</b>		<b>6,509.43</b>	<b>293.18</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	3	2.21	-
<b>Total non-current liabilities</b>		<b>2.21</b>	<b>-</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	3	0.82	-
(ii) Trade payables			
(a) Total outstanding dues of micro and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	10	1.57	0.59
(iii) Other financial liabilities	11	6.91	6.91
(b) Other liabilities	12	0.15	-
<b>Total current liabilities</b>		<b>9.45</b>	<b>7.50</b>
<b>Total equity and liabilities</b>		<b>6,521.09</b>	<b>300.68</b>

**The accompanying notes form an integral part of the financial statements**  
**This is the Balance Sheet referred to in our Report of even date**

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

For and on behalf of the Board of Directors

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number : 060466

Place : Kolkata  
Date : May 15, 2023

Sd/-  
Debashish Bhattacharjee  
Chairman  
DIN : 00060737  
Place: Kolkata

Sd/-  
Rajesh Singh  
CFO  
Place: Kolkata  
Date : May 15, 2023

Sd/-  
Sanjib Nanda  
Director  
DIN : 01045306  
Place: Mumbai

Sd/-  
Delna Jehan Wadiwalla  
Company Secretary  
Place: Mumbai

Tata Steel Advanced Materials Limited  
(Formerly known as Tata Steel Odisha Limited)  
Statement of Profit and Loss for the year ended March 31, 2023

		(₹ in Lakhs)	
	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I Expenses:</b>			
(a) Finance costs	13	0.41	-
(b) Depreciation and amortisation expense	14	46.58	-
(c) Other expenses	15	5.78	1.53
<b>Total expenses</b>		<b>52.77</b>	<b>1.53</b>
<b>II Profit/ (Loss) before tax</b>		<b>(52.77)</b>	<b>(1.53)</b>
<b>III Tax expense</b>		-	-
<b>IV Profit/(Loss) for the year (II-III)</b>		<b>(52.77)</b>	<b>(1.53)</b>
<b>V Other comprehensive income/(loss)</b>			
<b>A Items that will not be reclassified subsequently to profit and loss</b>		-	-
<b>B Items that will be reclassified subsequently to profit and loss</b>		-	-
<b>VI Total comprehensive profit/ (loss) for the year (IV+V)</b>		<b>(52.77)</b>	<b>(1.53)</b>
<b>Earnings per share</b>			
<b>VII [Nominal Value of Share ₹10/- (March 31, 2022: ₹10/-)]</b>	16		
Basic and Diluted (₹)		<b>(0.25)</b>	<b>(0.06)</b>

The accompanying notes form an integral part of the financial statements  
This is the Statement of Profit & Loss referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

For and on behalf of the Board of Directors

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number : 060466

Place : Kolkata  
Date : May 15, 2023

Sd/-  
Debashish Bhattacharjee  
Chairman  
DIN : 00060737  
01045306 Place: Kolkata

Sd/-  
Rajesh Singh  
CFO  
Place: Kolkata  
Date : May 15, 2023

Sd/-  
Sanjib Nanda  
Director  
DIN : 01045306  
Place: Mumbai

Sd/-  
Delna Jehan Wadiwalla  
Company Secretary  
Place: Mumbai

**Tata Steel Advanced Materials Limited**  
**(Formerly known as Tata Steel Odisha Limited)**  
**Statement of Changes in Equity for the year ended March 31, 2023**

**A. Equity share capital**

**(₹ in Lakhs)**

Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023
556.18	5,066.14	5,622.32

**(₹ in Lakhs)**

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
256.70	299.48	556.18

**B. Other equity**

**(₹ in Lakhs)**

	Retained earnings	Securities Premium	Total
<b>Balance as at April 1, 2022</b>	(262.99)	-	(262.99)
Loss for the year	(52.77)	-	(52.77)
Issue of equity shares	-	1,202.87	1,202.87
<b>Balance as at March 31, 2023</b>	<b>(315.76)</b>	<b>1,202.87</b>	<b>887.11</b>

**(₹ in Lakhs)**

	Retained earnings	Securities Premium	Total
<b>Balance as at April 1, 2021</b>	(261.46)	-	(261.46)
Loss for the year	(1.53)	-	(1.53)
<b>Balance as at March 31, 2022</b>	<b>(262.99)</b>	<b>-</b>	<b>(262.99)</b>

**The accompanying notes form an integral part of the financial statements**  
**This is the Statement of Changes in Equity referred to in our Report of even date**

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number : 060466  
Place : Kolkata  
Date : May 15, 2023

For and on behalf of the Board of Directors

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Sanjib Nanda  
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Place: Mumbai

Sd/-  
Delna Jehan Wadiwalla  
Company Secretary  
Place: Mumbai

**Tata Steel Advanced Materials Limited**  
**(Formerly known as Tata Steel Odisha Limited)**  
**Statement of Cash Flows for the year ended March 31, 2023**

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(A) Cash flows from operating activities:</b>		
<b>Profit/(Loss) before tax</b>	<b>(52.77)</b>	<b>(1.53)</b>
Adjustments for:		
Depreciation and amortisation expense	46.58	-
Finance costs	0.41	-
	<b>46.99</b>	<b>-</b>
<b>Operating profit/ (loss) before working capital changes</b>	<b>(5.78)</b>	<b>(1.53)</b>
Adjustments for:		
(Increase)/ Decrease in other non-current/current assets	(297.09)	(0.06)
Increase/ (Decrease) in non-current/current financial and other liabilities	3.85	1.64
Increase/ (Decrease) in Trade payables	0.98	(0.06)
<b>Cash generated from operations</b>	<b>(298.04)</b>	<b>(0.02)</b>
Income taxes paid	-	-
<b>Net cash outflow from operating activities</b>	<b>(298.04)</b>	<b>(0.02)</b>
<b>(B) Cash flows from investing activities:</b>		
Purchase of capital assets	(1,647.96)	-
Purchase of investments in subsidiaries	(3,530.00)	(0.90)
<b>Net cash outflow from investing activities</b>	<b>(5,177.96)</b>	<b>(0.90)</b>
<b>(C) Cash flows from financing activities:</b>		
Proceeds from issue of equity shares	6,269.01	299.48
Payment of lease obligations - Principal	(0.67)	-
Payment of lease obligations - Interest	(0.41)	-
<b>Net cash inflow from financing activities</b>	<b>6,267.93</b>	<b>299.48</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>791.93</b>	<b>298.56</b>
<b>Opening cash and cash equivalents</b>	<b>299.73</b>	<b>1.16</b>
<b>Closing cash and cash equivalents</b>	<b>1,091.66</b>	<b>299.72</b>
<b>Cash and cash equivalents (as per Note 7)</b>		
<b>Balance with Banks</b>	<b>1,091.66</b>	<b>299.73</b>

a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 'Statement of Cash Flows'.

b) Figure in brackets represent outflows

**The accompanying notes form an integral part of the financial statements**  
**This is the Statement of Cash Flows referred to in our Report of even date**

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number : 060466

Place : Kolkata  
Date : May 15, 2023

For and on behalf of the Board of Directors

Sd/-  
Debashish Bhattacharjee  
Chairman  
DIN : 00060737  
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Sd/-  
Rajesh Singh  
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Sd/-  
Sanjib Nanda  
Director  
DIN : 01045306  
Place: Mumbai

Sd/-  
Delna Jehan Wadiwalla  
Company Secretary  
Place: Mumbai

# Tata Steel Advance Materials Limited (Formerly known as Tata Steel Odisha Limited)

## Notes to Financial Statements as at and for the year ended March 31, 2023

### 1. Company Information

Tata Steel Advanced Materials Limited (Formerly known as Tata Steel Odisha Limited) ("the Company") is a public limited company incorporated in India with its registered office in Mumbai, Maharashtra, India.

The Company belongs to the Tata Group of Companies and was established in the year 2012. The Company has its Registered Office at 3rd floor, One Forbes, 1 Dr. V.B. Gandhi Marg, Fort, Mumbai City Maharashtra 400001 (India). As on March 31, 2023, the Company is a wholly owned subsidiary of Tata Steel Limited.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 15, 2023.

### 2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

#### a) Statement of compliance

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

#### b) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements are presented in Indian Rupee (Rupees or ₹), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest Lakhs (₹ 00,000), except otherwise indicated.

#### c) Use of estimates and critical accounting judgements

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and

assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

- **Estimation of Expected Useful Lives of Intangible Asset - Notes 4**  
Management reviews its estimate of the useful lives of intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment and intangible assets.
- **Impairment of Investments in Subsidiaries - Notes 5**  
Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, order book position, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

# Tata Steel Advance Materials Limited (Formerly Tata Steel Odisha Limited)

## Notes to Financial Statements as at and for the year ended March 31, 2023

### d) Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Technology license costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer applicable.

### e) Amortisation of intangible assets

Depreciation or amortisation is provided so as to write off, on a straight-line basis, the cost of intangible assets, to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised.

The estimated useful lives for intangible assets are:

- Technology License – 15 years

### f) Impairment of Intangible Assets and right of use assets

At each balance sheet date, the Company reviews the carrying value of intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is

reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

### g) Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle,
- held primarily for the purpose of trading,
- due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets & liabilities are classified as non-current

### h) Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current



# Tata Steel Advance Materials Limited (Formerly Tata Steel Odisha Limited)

## Notes to Financial Statements as at and for the year ended March 31, 2023

best estimates. Contingent liabilities are not recognised in the financial statements.

### i) Leases

#### Company as a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases

held by Tata Steel Advanced Materials Limited, which does not have recent third party financing

- makes adjustments specific to the lease, e.g., term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

#### Company as a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

# Tata Steel Advance Materials Limited (Formerly Tata Steel Odisha Limited)

## Notes to Financial Statements as at and for the year ended March 31, 2023

### j) Investments in subsidiaries

Investments in subsidiaries are carried at cost/deemed cost, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

### k) Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.

### l) Financial assets

#### 1. Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for

the equity investment at fair value through other comprehensive income (FVOCI).

#### 2. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### 3. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments, if any. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 17 details how the Company determines whether there has been a significant increase in credit risk.

#### 4. De-recognition of financial assets

A financial asset is derecognised only when

- the company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the

# Tata Steel Advance Materials Limited (Formerly Tata Steel Odisha Limited)

## Notes to Financial Statements as at and for the year ended March 31, 2023

company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### m) Trade and Other Payables

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

### n) Foreign currency transactions and translations

#### 1. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency').

#### 2. Impairment of financial assets

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### o) Earnings per share

Basic earnings per share is computed by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

### p) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable rights 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 Company or the counterparty.

### q) Standards issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

### 3. Right-of-use assets

	(₹ in Lakhs)	
	Office Space	Total
<b>Cost as at April 1, 2021</b>	-	-
Additions	-	-
Disposals	-	-
<b>Cost as at March 31, 2022</b>	-	-
Additions	3.71	3.71
Disposals	-	-
<b>Cost as at March 31, 2023</b>	<b>3.71</b>	<b>3.71</b>
<b>Accumulated depreciation as at April 1, 2021</b>	-	-
Charge for the year	-	-
Disposals	-	-
<b>Accumulated depreciation as at March 31, 2022</b>	-	-
Charge for the year	0.93	0.93
Disposals	-	-
<b>Accumulated depreciation as at March 31, 2023</b>	<b>0.93</b>	<b>0.93</b>
<b>Net carrying value as at March 31, 2022</b>	-	-
<b>Net carrying value as at March 31, 2023</b>	<b>2.78</b>	<b>2.78</b>

#### (i) Amounts recognised in balance sheet

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Lease liabilities</b>		
Current	0.82	-
Non-Current	2.21	-
<b>Total</b>	<b>3.03</b>	<b>-</b>

The Company has leased office space. Rental contract is made for a fixed period of 4 years 4 months.

#### (ii) Amounts recognised in the statement of profit and loss

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

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Depreciation charge of right-of-use assets - Office Space (Refer Note 14)	0.93	-
Interest expense (included in finance costs) (Refer Note 13)	0.41	-
<b>Total</b>	<b>1.34</b>	<b>-</b>

The total cash outflow for leases for the year was ₹1.08 Lakhs (31 March 2022 was NIL).

#### (iii) Extension and termination options

Extension and termination options are included in the Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by mutual consent of both the lessor and the lessee.

### 4. Intangible asset

	(₹ in Lakhs)	
	Technology License	Total
<b>Cost as at April 1, 2021</b>	-	-
Additions	-	-
Disposals	-	-
<b>Cost as at March 31, 2022</b>	-	-
Additions	1,644.25	1,644.25
Disposals	-	-
<b>Cost as at March 31, 2023</b>	<b>1,644.25</b>	<b>1,644.25</b>
<b>Accumulated depreciation as at April 1, 2021</b>	-	-
Charge for the year	-	-
Disposals	-	-
<b>Accumulated amortisation as at March 31, 2022</b>	-	-
Charge for the year	45.65	45.65
Disposals	-	-
<b>Accumulated amortisation as at March 31, 2023</b>	<b>45.65</b>	<b>45.65</b>
<b>Net carrying value as at March 31, 2022</b>	-	-
<b>Net carrying value as at March 31, 2023</b>	<b>1,598.60</b>	<b>1,598.60</b>

5. Investments

		(₹ in Lakhs)	
	No. of shares (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
<b>Investments carried at cost</b>			
<b>(a) Equity investments in subsidiary companies (fully paid up)</b>			
<b>(i) Unquoted</b>			
(1) Ceramat Private Limited	9,000 (March 31, 2022 : 9000)	0.90	0.90
(2) Tata Steel TABB Limited	153,00,000 (March 31, 2022 : NIL)	1,530.00	-
		<b>1,530.90</b>	<b>0.90</b>
<b>(b) Investment in preference shares of subsidiary company (fully paid up)</b>			
<b>(i) Unquoted</b>			
(1) Ceramat Private Limited 0.01% non-cumulative optionally convertible redeemable preference shares	200,00,000 (March 31, 2022 : NIL)	2,000.00	-
		<b>2,000.00</b>	<b>-</b>
		<b>3,530.90</b>	<b>0.90</b>
<b>Total non-current investments</b>		<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Aggregate carrying value of unquoted investments		3,530.90	0.90

6. Other assets

A. Non-Current

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
<b>(a) Balance with Government Authorities</b>			
Considered good - Unsecured		297.15	-
Considered doubtful - Unsecured		-	-
Less: Provision for doubtful advances		-	-
		<b>297.15</b>	<b>-</b>

B. Current

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
<b>(a) Balance with Government Authorities</b>			
Considered good - Unsecured		-	0.06
Considered doubtful - Unsecured		-	-
Less: Provision for doubtful advances		-	-
		<b>-</b>	<b>0.06</b>

7. Cash and cash equivalents

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
Balances with banks			
- in current accounts		1,091.66	299.73
		<b>1,091.66</b>	<b>299.73</b>

i. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

8. Equity share capital

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised:</b>		
15,000,000,000 Equity Shares of ₹10 each	1,500,000.00	1,500,000.00
(March 31, 2022: 15,000,000,000 Equity Shares of ₹10 each)		
250,000,000 Preference Shares of ₹10 each	25,000.00	25,000.00
(March 31, 2022: 250,000,000 Preference Shares of ₹10 each)		
	<b>1,525,000.00</b>	<b>1,525,000.00</b>
<b>Issued, subscribed and paid-up:</b>		
56,223,166 Equity Shares of ₹10 each	5,622.32	556.18
(March 31, 2022: 5,561,833 Equity Shares of ₹10 each)		
	<b>5,622.32</b>	<b>556.18</b>

(i) Details of movement in issued, subscribed and paid-up share capital is as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
<b>Equity Share of ₹10 each</b>				
Balance at the beginning of the year	5,561,833	556.18	2,567,000	256.70
Issued during the year	50,661,367	5,066.14	2,994,833	299.48
<b>Balance at the end of the year</b>	<b>56,223,200</b>	<b>5,622.32</b>	<b>5,561,833</b>	<b>556.18</b>

(ii) Details of Shareholders holding more than 5% shares in the Company is as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% held	No. of shares	% held
(a) Tata Steel Downstream Products Limited	-	-	5,561,833	100
(b) Tata Steel Limited	56,223,200	100	-	-

(iii) Details of shares held by promoter in the Company is as below:

	As at March 31, 2023		
	No. of shares	% held	% change during the year
<b>Name of promoter</b>			
(a) Tata Steel Limited	56,223,200	100	100
	As at March 31, 2022		
	No. of shares	% held	% change during the year
<b>Name of promoter</b>			
(a) Tata Steel Downstream Products Limited	5,561,833	100	100

(iv) Terms and rights attached to equity shares

- (a) The company has only one class of equity shares having a par value of ₹10/- (March 31, 2022 ₹10/-) per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (b) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (v) Tata Steel Limited is the 100% holding company of the company as at March 31, 2023. Shares held by Tata Steel Downstream Products Limited were acquired by Tata Steel Limited during the current financial year.



#### 11. Other financial liabilities

##### A. Current

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Payable to related parties (Refer note 18)	6.91	6.91
	<b>6.91</b>	<b>6.91</b>

#### 12 Other Current liabilities

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Statutory dues	0.15	-
	<b>0.15</b>	<b>-</b>

#### 13 Finance costs

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on:		
Lease Obligation	0.41	-
	<b>0.41</b>	<b>-</b>

#### 14 Depreciation and amortisation expense

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Depreciation on right-of-use assets	0.93	-
(b) Amortisation of intangible asset	45.65	-
	<b>46.58</b>	<b>-</b>

#### 15 Other expenses

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Legal and Professional charges	1.71	0.54
(b) Auditors remuneration	0.51	0.51
(c) Rent charges	-	0.36
(d) Rates and taxes	0.61	0.10
(e) Loss on foreign exchange	2.02	-
(f) Miscellaneous expenses	0.93	0.02
	<b>5.78</b>	<b>1.53</b>

(i) Details of auditors' remuneration and out-of-pocket expenses is as below:

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Auditors remuneration and out-of-pocket expenses		
(i) Statutory audit	0.50	0.50
(ii) Out-of-pocket expenses	0.01	0.01
	<b>0.51</b>	<b>0.51</b>

#### 16 Earnings per share

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share (EPS).

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Loss after tax	(52.77)	(1.53)
(b) Number of Equity Shares at the Beginning of the Year	Nos. 5,561,833	Nos. 2,567,000
Number of Equity Shares at the End of the Year	56,223,200	5,561,833
<b>Weighted average number of Ordinary Shares</b>	<b>21,450,540</b>	<b>2,616,230</b>
(c) Nominal value of equity share (₹)	<b>10.00</b>	<b>10.00</b>
(d) Basic and diluted earnings per equity share (₹)	<b>(0.25)</b>	<b>(0.06)</b>



#### 17A Fair Value Measurement

##### Fair value hierarchy

- i. This section gives an overview of the significance of financing instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments. The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note no 3, 5, 7, 10 & 11 to the financial statements.

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and as at March 31, 2022

##### As at March 31, 2023

	(₹ in Lakhs)	
	Cost/ Amortised cost	Total carrying value
<b>Financial assets:</b>		
Cash and bank balances	1,091.66	1,091.66
Investments	3,530.90	3,530.90
<b>Financial liabilities:</b>		
Trade payables	1.57	1.57
Lease liabilities	3.03	3.03
Other financial liabilities	6.91	6.91

##### As at March 31, 2022

	(₹ in Lakhs)	
	Amortised cost	Total carrying value
<b>Financial assets:</b>		
Cash and bank balances	299.73	299.73
Investments	0.90	0.90
<b>Financial liabilities:</b>		
Trade payables	0.59	0.59
Other financial liabilities	6.91	6.91

The fair value of these assets and liabilities are not significantly different from their carrying values.

#### 17B Financial risk management

The Company's financial liabilities comprise trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include other receivables, cash and cash equivalents and investments.

##### Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the direction of Board of Directors. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are market risks, liquidity risk and credit risk. Management and board of directors review and agree policies for managing each of these risks which are summarised below:

- (a) **Market Risk** - Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's financial instrument mainly affected by market prices risk comprises of three types of risk: currency risk, interest rate risk and other price risk which include equity price risk and price risk. Financial instruments affected by market risk includes investments, other financial assets, trade payables and other financial liabilities.
- (i) **Foreign currency risks** - Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities. The finance department of the company continuously monitors the foreign exchange fluctuations on the basis of which any material adverse effect on the company is identified and additional remedial measures, if any, are taken.
- (ii) **Interest rate risks** - Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.
- (iii) **Equity price risks** - Equity price risk is related to the change in market reference price of the investments in equity securities. The Company holds investment for strategic rather than trading purposes.

The Company does not have any investment in the equity & preference shares apart from the investment in Ceramat Private Limited and Tata Steel TABB Limited which are fellow subsidiaries of the company. The shares of these companies are unlisted. They are however exposed to changes in value arising from changes in expectations of equity returns, etc.

- (a) **Liquidity Risk** - Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has sufficient owned funds to finance its existing and continuing commitments.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023 and March 31, 2022:

	Carrying Amount	Contractual Cash flows	Between 0 to 1 years	Between 1 to 3 Years	Between 3 to 5 years	More than 5 years
<b>As at March 31, 2023</b>						
A) Lease Liabilities (Current and Non-current)	3.03	3.52	1.08	2.44	-	-
c) Trade payables	1.57	1.57	1.57	-	-	-
d) Other financial liabilities	6.91	6.91	6.91	-	-	-
<b>As at March 31, 2022</b>						
a) Lease Liabilities (Current and Non-current)	-	-	-	-	-	-
b) Trade payables	0.59	0.59	0.59	-	-	-
c) Other financial liabilities	6.91	6.91	6.91	-	-	-

- (b) **Credit Risk** - Credit risk is the risk of financial loss arising from the counter party failure to repay or service debt according to the contractual terms and obligations, credit risk encompasses both the direct risk of default and the risk of deterioration of the credit worthiness as well as concentration risks.

**18 Related Party Disclosure**

**Names of related parties and description of relationship**

**A Relationship**

**i) Holding company**

Tata Steel Limited (w.e.f. March 22, 2023)  
Tata Steel Downstream Products Limited (up to March 21, 2023)

**iii) Subsidiary company**

Ceramat Private Limited  
Tata Steel Tabb Limited

**iv) Key Management Personnel :**

Mr. Kamesh Gupta	Managing Director (w.e.f. 16th January, 2023)
Mr. Debashish Bhattacharjee	Director
Mr. Sanjib Nanda	Director
Mr. Dibyendu Dutta	Director
Mr. Parvatheesam Kanchinadham	Director
Mr. Subodh Pandey	Director
Mr. Rajesh Singh	Chief Financial Officer (w.e.f. 16th January, 2023)
Ms. Delna Jehan Wadiwalla	Company Secretary (w.e.f. 1st September, 2022)

**v) Fellow Subsidiaries (being subsidiaries of holding company)**

Kalimati Global Shared Services Limited

The following table summarises related party transactions and balances included in the financial statements of the Company.

(₹ in Lakhs)

	Holding Companies	Subsidiaries	Fellow Subsidiaries	Total
<b>Transactions with Related parties</b>				
Expenses paid on behalf of others				
Tata Steel Tabb Limited	-	69.03	-	69.03
	-	-	-	-
Expenses paid on our behalf				
Tata Steel Limited	-	-	-	-
	(1.29)	-	-	(1.29)
Legal and Professional charges				
Kalimati Global Shared Services Limited	-	-	0.79	0.79
	-	-	-	-
Rent charges				
Tata Steel Limited	-	-	-	-
	(0.36)	-	-	(0.36)
Payment for lease rentals				
Tata Steel Limited	1.08	-	-	1.08
	-	-	-	-
<b>Outstanding balances</b>				
Trade payables				
Kalimati Global Shared Services Limited	-	-	0.72	0.72
	-	-	-	-
Other financial liabilities				
Tata Steel Limited	6.91	-	-	6.91
	(6.91)	-	-	(6.91)

Figure in brackets represent comparative figures of previous year.

## 19 Financial Ratios

	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reasons for Variation
(1) <b>Current ratio</b> (Current assets/Current liabilities)	115.52	39.93	189%	The deviation is on account of fund infusion by Tata Steel Limited lying in bank account.
(2) <b>Return on Equity (%)</b> (Profit after tax (PAT)/Average Shareholders' Equity)	-1.55%	-1.06%	46%	The deviation is due to fund infusion by Tata Steel Limited & increase in losses due amortization of Intangible asset.
(3) <b>Return on Capital Employed (%)</b> (Earnings Before Interest and Taxes/Average capital employed)	-1.54%	-1.06%	45%	The deviation is due to fund infusion by Tata Steel Limited & increase in losses due amortization of Intangible asset.
(4) <b>Return on Investment (%)</b> (Earnings Before Interest and Taxes/Average total assets)	-1.55%	-1.01%	-0.54%	Mainly due to increase in cash & cash equivalents, increase in investment in subsidiary companies and intangible assets & increase in losses due amortization of Intangible asset.

- i. The company does not have any operation or debt or inventory in the current year as well as in the previous year. Therefore, Net debt equity ratio, Debt service coverage ratio, Inventory turnover ratio, Debtors turnover ratio, Trade payables turnover ratio, Net capital turnover ratio and Net profit ratio have not been disclosed.

## 20 Details of significant investments in subsidiaries

	Country of Incorporation	As at March 31, 2023	As at March 31, 2022
(% Direct Holding)			
<b>Subsidiary companies</b>			
(1) Ceramat Private Limited	India	90	90
(2) Tata Steel TABB Limited	India	100	-

## 21 Consolidation

These financial statements are separate financial statements within the meaning of Ind AS 27 "Separate Financial Statements". The company has availed the exemption granted by the Companies Act 2013, from preparation of consolidated financial statement of the company and its subsidiaries by complying with all the requirements for availing such exemption. Tata Steel Limited ('Holding Company') produces the consolidated financial statements that comply with Ind AS which includes Tata Steel Advanced Materials Limited and its subsidiaries.

## 22 Corporate Social Responsibility (CSR)

Based on the provisions of Section 135 of the Companies Act, 2013 ('the Act') readwith Schedule VII to the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended, Corporate Social Responsibility is not applicable to the Company.

- 23 The Company has incurred loss after tax of ₹52.77 lakhs during the year. The Company expects to generate the cash flows from operations, by which it expects to recover losses in near future. Accordingly, accounts are prepared on going concern basis. The company continues to receive funds from holding company for short term purposes as and when required.

**Tata Steel Advance Materials Limited**  
**(Formerly known as Tata Steel Odisha Limited)**

**Notes to Financial Statements as at and for the year ended March 31, 2023**

- 24. Additional regulatory information required by Schedule III**
- i. **Details of benami property held** - No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
  - ii. **Compliance with number of layers of companies** - The Company has complied with the number of layers prescribed under the Companies Act, 2013.
  - iii. **Compliance with approved scheme(s) of arrangements** - The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
  - iv. **Registration of charges or satisfaction with Registrar of Companies** - There are no charge or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
  - v. **Core investment company as a part of Group** - The Company has five CICs which are registered with the Reserve Bank of India and two CICs which are not required to be registered with the Reserve Bank of India as part of group.
  - vi. **Valuation of Right if use assets and intangible asset** - The Company has not revalued its right of use assets or intangible asset during the current or previous year.
  - vii. **Undisclosed income** - There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
  - viii. **Details of crypto currency or virtual currency** - The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
  - ix. **Wilful defaulter** - The company does not have any borrowings with the bank or financial institutions or government or any government authority both during the current year or previous year. Hence, the disclosure pertaining to wilful defaulter by any bank or financial institution or government or any government authority is not applicable to the company.
  - x. **Relationship with struck off companies** - The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
  - xi. **Borrowing secured against current assets** - The Company does not have any working capital limits or borrowings from any bank. Therefore, the Company has not filed quarterly returns or statements with the banks.
  - xii. **Utilisation of borrowed funds and share premium** - The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall, 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 to or on behalf of the ultimate beneficiaries.  
  
The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall, 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 other than as mentioned below:
    - a) funds received aggregating to ₹1,099 lakhs received during the year from Tata Steel Downstream Products Limited for onward investments in two subsidiaries of the Company namely Ceramat Private Limited amounting to ₹1,000 lakhs & Tata Steel TABB Limited amounting to ₹99 lakhs for growth of their business.
    - b) funds received aggregating to ₹2,431 lakhs received during the year from Tata Steel Limited for onward investments in two subsidiaries of the Company namely Ceramat Private Limited amounting to ₹1,000 lakhs & Tata Steel TABB Limited amounting to ₹1,431 lakhs for growth of their business.

**Tata Steel Advance Materials Limited**  
**(Formerly known as Tata Steel Odisha Limited)**

**Notes to Financial Statements as at and for the year ended March 31, 2023**

**25. Other Disclosures**

- i. There are no outstanding loans/advances in nature of loan from promoters, key management personnel or other officers of the Company.
- ii. In view of absence of reasonable certainty of absorption of unabsorbed losses, deferred tax assets to the extent of Rs. 13.28 lakhs (March 31, 2022: Rs. 0.38 lakhs) have not been recognised in accordance with the principles set out in Ind AS 12 - Income Taxes.

(₹ Lakhs)

Particulars	Year Ended	Year Ended
	31-Mar-23	31-Mar-23
(Loss) before tax	(52.77)	(1.53)
Income tax rate	25.168%	25.168%
Income tax Expense	(13.28)	(0.38)
Total Tax	(13.28)	(0.38)

- iii. There is no contingent liability as at March 31, 2023 (as at March 31, 2022 - Nil)
- iv. There is no capital or other commitment as at March 31, 2023 (as at March 31, 2022 - Nil)
- v. The Board of Directors of the Company have been identified as the Chief Operating Decision Maker (CODM), who evaluates the Company's performance, allocate resources and assessing performance of the Company as a single unit, Therefore there is no reportable segment of the company in accordance with the requirements of Ind AS-108 "Operating Segment Reporting".

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Sd/-  
Dhiraj Kumar  
Partner  
Membership Number: 060466

Place : Kolkata  
Date : May 15, 2023

For and on behalf of the Board of Directors

Sd/-  
Debashish Bhattacharjee  
Chairman  
DIN : 00060737  
Place: Kolkata

Sd/-  
Rajesh Singh  
CFO  
Place: Kolkata  
Date : May 15, 2023

Sd/-  
Sanjib Nanda  
Director  
DIN: 01045306  
Place: Mumbai

Sd/-  
Delna Jehan Wadiwalla  
Company Secretary  
Place: Mumbai