

**TATA STEEL MINING LIMITED**  
*(formerly known as T S Alloys Limited)*  
**BALANCE SHEET AS AT MARCH 31, 2022**

(Amounts in Rs. Lakhs, unless stated otherwise)

	Notes	As at	As at
		March 31, 2022	March 31, 2021
		Unaudited	Audited
<b>(I) Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	8,974.09	9,516.51
(b) Right of use assets	4	542.27	552.55
(c) Capital work in progress	3	70.70	70.70
(d) Intangible assets	5	22,501.56	22,988.72
(e) Financial assets			
(i) Investments	6	2,564.91	3,262.66
(ii) Other financial assets	7	992.27	941.26
(f) Retirement Benefit Assets	8	44.57	65.49
(g) Other non-current assets	9	12,310.49	411.93
(h) Income-tax Assets (Net)	10	1,255.61	537.36
(i) Deferred Tax Assets	17	18,320.88	-
<b>Total Non-current assets</b>		<b>67,577.35</b>	<b>38,347.18</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	161,135.04	114,276.85
(b) Financial assets			
(i) Trade receivables	12	22,964.89	14,268.13
(ii) Cash and cash equivalents	13	21,821.08	15,420.42
(iii) Other bank balances	14	-	3.00
(v) Other financial assets	7	194.90	74.05
(d) Other current assets	9	45,767.61	10,296.24
<b>Total current assets</b>		<b>251,883.52</b>	<b>154,338.69</b>
<b>Total Assets</b>		<b>319,460.87</b>	<b>192,685.87</b>
<b>(II) Equity and Liabilities</b>			
<b>(1) Equity</b>			
(a) Equity share capital	15	48,507.10	48,507.10
(b) Other equity	16	(46,418.54)	48,364.12
<b>Total equity</b>		<b>2,088.56</b>	<b>96,871.22</b>
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	4	13.15	13.56
(b) Deferred tax liabilities (Net)	17	-	1,209.14
<b>Total Non-current liabilities</b>		<b>13.15</b>	<b>1,222.70</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	79,000.00	-
(ii) Lease liabilities	4	2.95	2.95
(iii) Trade payables	19	-	-
(1) total outstanding dues of micro and small enterprises		3,203.03	5.85
(2) total outstanding dues of creditors other than micro and small enterprises		61,199.98	26,481.46
(iv) Other financial liabilities	20	1,316.13	444.03
(b) Short-term provisions	21	98.66	69.53
(c) Other current liabilities	22	172,538.41	67,588.13
(d) Current tax liabilities		-	-
<b>Total current liabilities</b>		<b>317,359.16</b>	<b>94,591.95</b>
<b>Total Equity and Liabilities</b>		<b>319,460.87</b>	<b>192,685.87</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**  
Chartered Accountants  
Firm Registration Number : 304026E/E-300009

**For and on behalf of the Board of Directors**

**-sd-**  
Managing Director  
DIN:

**-sd-**  
Chief Financial Officer

**TATA STEEL MINING LIMITED**  
(formerly known as T S Alloys Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022**

	Notes	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		Unaudited	Audited
<b>(1) Revenue from operations</b>	23	460,535	53,514.57
<b>(2) Other income</b>	24	737	158.25
<b>(3) Total Income (1) + (2)</b>		<b>461,272</b>	<b>53,672.82</b>
<b>(4) Expenses</b>			
(a) Cost of materials consumed	25	59,324	(91,542.48)
(b) Changes in inventories of finished goods and stock in trade	26	(3,739)	(7,713.26)
(c) Employee benefits expense	27	4,917	2,736.87
(d) Finance costs	28	1,588	1,186.16
(e) Depreciation and amortisation expense	29	1,650	1,417.47
(f) Power and fuel expenses		12,144	11,170.01
(g) Other expenses	30	498,961	134,992.19
<b>Total Expenses (4)</b>		<b>574,846</b>	<b>52,246.96</b>
<b>(5) Profit/(Loss) before tax (3) - (4)</b>		<b>(113,574)</b>	<b>1,425.86</b>
<b>(6) Tax Expense</b>			
(a) Current tax	31		
(i) Current tax for current year		-	
(ii) Current tax for the earlier years			
(iii) MAT Credit Entitlement			
(b) Deferred tax	31		
(i) Deferred tax for current year		(19,354)	313.71
(ii) Deferred tax relating to earlier years			
<b>Total tax expense (6)</b>		<b>(19,354)</b>	<b>313.71</b>
<b>(7) Profit/(Loss) for the year (5) - (6)</b>		<b>(94,220)</b>	<b>1,112.15</b>
<b>(8) Other comprehensive income</b>			
<b>(A) Items that will not be reclassified to profit and loss account</b>			
(a) Remeasurement of the employees defined benefit plans		(41.04)	(4.31)
(b) Fair value changes of investment in equity shares		(697.75)	818.10
(c) Income tax relating to items that will not be reclassified to profit or loss		176.05	(164.35)
<b>Total other comprehensive income (8)</b>		<b>(562.74)</b>	<b>649.44</b>
<b>(9) Total comprehensive income for the year (7 + 8)</b>		<b>(94,782.66)</b>	<b>1,761.59</b>
<b>(10) Earnings per equity share (Face value of share of Rs. 10 each)</b>	32		
Basic Earnings per share		(19.42)	0.36
Diluted earnings per share			

The accompanying notes form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number : 304026E/E-300009

**For and on behalf of the Board of Directors**

-sd-

Managing Director

DIN:

-sd-

Chief Financial Officer

**TATA STEEL MINING LIMITED**  
(formerly known as T S Alloys Limited)  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(Amounts in Rs. Lakhs, unless stated otherwise)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	(113,573.88)	1,425.86
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,649.97	1,417.47
Finance Costs	1,587.97	1,186.16
Provision for doubtful debts / advances	-	-
Capital work-in-progress/capital advance written off	-	317.51
Interest Income	(595.97)	(110.26)
Provisions / liabilities no longer required written back	-	-
Net (gain) / loss on foreign exchange transactions and translations	-	-
Net gain/(loss) on sale of property, plant and equipment	-	(8.96)
<b>Operating Profit Before Working Capital Changes</b>	<b>(110,931.91)</b>	<b>4,227.78</b>
<b>Adjustments for changes in operating assets and liabilities</b>		
(Increase)/Decrease in Inventories	(46,858.19)	(113,198.50)
(Increase)/Decrease in Trade receivables	(8,696.76)	-
(Increase)/Decrease in other current and non-current financial assets	(30.09)	(20,662.23)
(Increase)/Decrease in other current and non-current assets	(47,707.56)	-
Increase/(Decrease) Trade payables	37,915.70	-
Increase/(Decrease) Short-term provisions	29.13	-
Increase/(Decrease) other current and non-current financial liabilities	229.71	90,425.35
Increase/(Decrease) other current and non-current liabilities	106,835.27	-
<b>Cash generated from / (used in) operations</b>	<b>(69,214.70)</b>	<b>(39,207.60)</b>
Direct taxes paid (net)	(718.25)	308.74
<b>Cash flows from / (used in) operating activities</b>	<b>(69,932.95)</b>	<b>(38,898.86)</b>
	<b>[A]</b>	
<b>B. Cash flows from investing activities</b>		
Payments for acquisition of Property, plant and equipment and intangible assets (including capital work in progress and capital advances)	(898.34)	(23,975.21)
Proceeds from sale of Property, plant and equipment and intangible assets	-	19.51
Interest received	475.12	100.40
Payments for / Proceeds from fixed deposits (placed) / matured (net)	-	497.00
<b>Cash flows from / (used in) investing activities</b>	<b>(423.22)</b>	<b>(23,358.30)</b>
	<b>[B]</b>	
<b>C. Cash flows from financing activities</b>		
Proceeds from issues of equity shares	-	76,765.85
Proceeds from inter corporate deposits	108,000.00	75,660.00
Repayment of inter corporate deposits	(29,000.00)	(75,660.00)
Share issue expenses	-	(196.19)
Proceeds from / (Repayment of) short-term borrowings	-	-
Payments of lease obligations - principal	(3.90)	(3.90)
Payments of lease obligations - interest	(0.56)	(0.56)
Finance costs (other than interest on lease obligations) paid	(2,279.76)	(1,184.38)
<b>Cash flows from / (used in) financing activities</b>	<b>76,715.78</b>	<b>75,380.82</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>6,359.61</b>	<b>13,123.66</b>
	<b>[A+B+C]</b>	
<b>Cash and Cash Equivalents at the beginning of the year [Refer Note XX]</b>	<b>15,420.42</b>	<b>2,296.76</b>
<b>Cash and Cash Equivalents at the end of the year [Refer Note XX]</b>	<b>21,780.04</b>	<b>15,420.42</b>

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**  
Chartered Accountants  
Firm Registration Number : 304026E/E-300009

**For and on behalf of the Board of Directors**

**-sd-**  
Managing Director  
DIN:

**-sd-**  
Chief Financial Officer

**TATA STEEL MINING LIMITED**  
(formerly known as T S Alloys Limited)  
**NOTES TO THE FINANCIAL STATEMENTS**

(Amounts in Rs. Lakhs, unless stated otherwise)

**Note 15: Equity share capital**

	As at March 31, 2022	As at March 31, 2021
<b>Authorised share capital</b>		
7,500,000,000 equity shares of Rs. 10 each (As at March 31, 2021: 7,500,000,000 equity shares of Rs. 10 each)	750,000.00	750,000.00
<b>Total authorised share capital</b>	<b>750,000.00</b>	<b>750,000.00</b>
<b>Issued, subscribed and paid up share capital</b>		
485,071,068 equity shares of Rs. 10 each, fully paid up (As at March 31, 2021: 485,071,068 equity shares of Rs. 10 each, fully paid up)	48,507.10	48,507.10
<b>Total issued, subscribed and paid up share capital</b>	<b>48,507.10</b>	<b>48,507.10</b>

**(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

	For the year ended March 31, 2022		For the year ended March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	485,071,068	48,507.10	65,707,544	6,570.75
Changes due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Changes during the year	-	-	419,363,524	41,936.35
Balance at the end of the year	<b>485,071,068</b>	<b>48,507.10</b>	<b>485,071,068</b>	<b>48,507.10</b>

**(b) Rights, preferences and restrictions attached to equity shares issued by the Company**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the payment of the preferential amounts.

**(c) Details of equity shares held by equity shareholders holding more than 5% of the aggregate shares in the Company:**

Name of shareholders/promotor Tata Steel Limited (immediate and ultimate holding company)	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%age holding	No. of shares	%age holding
	485,071,068	100.00%	485,071,068	100.00%
	<b>485,071,068</b>	<b>100.00%</b>	<b>485,071,068</b>	<b>100.00%</b>

**(d) Aggregate number of shares issued for consideration other than cash**

	As at March 31, 2022	As at March 31, 2021
Shares issued as consideration for acquisition of property, plant and equipment	-	30,084,384

**Note 16: Other equity**

	As at March 31, 2022	As at March 31, 2021
Securities premium	40,762.13	40,762.13
Retained earnings	(88,014.67)	6,246.29
FVOCI -Equity investments	834.00	1,355.70
	<b>(46,418.54)</b>	<b>48,364.12</b>
<b>Securities premium</b>		
Balance at the beginning of the year	40,762.13	-
Received on issue of shares during the year	-	40,762.13
Balance at the end of the year	<b>40,762.13</b>	<b>40,762.13</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	6,246.29	5,333.52
Profit for the year	(94,219.92)	1,112.15
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(41.04)	(3.23)
Transactions costs arising on issue of shares	-	(196.15)
	<b>(88,014.67)</b>	<b>6,246.29</b>
<b>FVOCI - Equity Instruments</b>		
Balance at the beginning of the year	1,355.70	701.95
Changes in Fair Value of FVOCI equity instruments	(697.75)	818.10
Deferred Tax	176.05	(164.35)
	<b>834.00</b>	<b>1,355.70</b>

**TATA STEEL MINING LIMITED**  
(formerly known as T S Alloys Limited)

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2022**

(Amounts in Rs. Lakhs, unless stated otherwise)

**a. Equity Share Capital**

	Notes	Amount
<b>Balance as at April 1, 2020</b>		6,570.75
Changes in equity share capital during the year		41,936.35
<b>Balance as at March 31, 2021</b>		<b>48,507.10</b>
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2022</b>		<b>48,507.10</b>

**b. Other Equity**

	Reserves & Surplus		FVOCI - Equity Instruments	Total Equity
	Securities Premium	Retained Earnings		
<b>Balance as at April 1, 2020</b>	-	5,333.52	701.95	6,035.47
Profit for the year	-	1,112.15	-	1,112.15
Other Comprehensive Income for the year	-	-	653.75	653.75
Transaction costs relating to issue of shares	-	(196.15)	-	(196.15)
Premium on issue of equity shares	40,762.13	-	-	40,762.13
<b>Balance as at March 31, 2021</b>	<b>40,762.13</b>	<b>6,249.52</b>	<b>1,355.70</b>	<b>48,367.35</b>
Profit for the year	-	(94,219.92)	-	(94,219.92)
Other Comprehensive Income for the year	-	-	(521.70)	-
<b>Balance as at March 31, 2022</b>	<b>40,762.13</b>	<b>(87,970.40)</b>	<b>834.00</b>	<b>(45,852.57)</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**  
Chartered Accountants  
Firm Registration Number : 304026E/E-300009

**For and on behalf of the Board of Directors**

-sd-  
**Managing Director**      **Chief Financial Officer**  
DIN:

**Tata Steel Mining Limited**  
**Notes to Financial Statements**

**Background**

Tata Steel Mining Limited ("the Company") is a wholly owned subsidiary of Tata Steel Limited. The name of company has been changed from T S Alloys Limited (a 100% subsidiary of Tata Steel Limited) to Tata Steel Mining Limited (a 100% subsidiary of Tata Steel Limited on May 19, 2020.

The Company produces ferro chrome using chrome ore extracted from its newly acquired chromite mines. Company has a wide range of customer base in domestic and international market and a rich experience in this segment. The financial statements for the year ended March 31, 2022.

**Note 1: Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the presentation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis for preparation**

**(i) Compliance with Ind AS**

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical Cost Convention**

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

- certain financial assets are measured at fair value;
- defined benefit plans – plan assets measured at fair value.

**(iii) 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:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

**(iv) New and amended standards adopted by the company**

The company has applied the following amendments to Ind AS for the first time for its annual reporting period commencing 1 April 2020:

- i) Definition of Material – amendments to Ind AS 1 and Ind AS 8
- ii) COVID-19 related concessions – amendments to Ind AS 116

The amendments listed above did not have any material impact on the amounts recognised in current and prior periods and are not expected to significantly affect the future periods.

**(b) Use of estimates and critical accounting judgments**

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying amounts of assets and liabilities include:

- i) useful lives of property, plant and equipment
- ii) impairment of property, plant and equipment
- iii) provision for employee benefits
- iv) valuation of investments and other provisions
- v) carrying amount of deferred tax liabilities
- vi) commitments and contingencies
- vii) provision for royalty and bid premium expense with respect to all months for which prices were not declared by the

**(c) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes, goods and service tax (GST).

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of transaction and the specifics of each arrangement.

**(i) Sale of Goods**

Sales are recognised when control of the products has been transferred to the buyer, being when the products are dispatched / delivered to the customer depending on the contractual terms and there is no unfulfilled obligation that could affect the buyer's acceptance of the products per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

**(ii) Conversion Income and Operation & Maintenance Income:**

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

**(iii) Other operating revenue**

Export entitlement are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**(iv) Interest Income**

Interest income is recognised on time proportion basis based on the amount outstanding and the effective interest rate.

**(d) Income taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise these temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(e) Leases****As a Lessee**

Leases are recognised as right of use assets and a corresponding liability at the date at which the leased asset is available for use by the company. Contract may contain both lease and non lease components. The Company allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices.

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 payment:-

- a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- c) Amount expected to be paid by the Company as under residual value guarantees.
- d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.

To determine the incremental borrowing rate, the Company:

- a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received
- b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Tata Steel Mining Limited, which does not have recent third party financing.

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 :-

- i) the amount of the initial measurement of lease liability
- ii) any lease payment made at or before the commencement date less any lease incentive received
- iii) any initial direct cost and
- iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

#### **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. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

#### **(f) Impairment of Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

#### **(g) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **(h) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

#### **(i) Inventories**

##### **Raw materials, stores & spares and work in progress**

Raw materials, stores & spares, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity and includes bid premium and royalty. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product

#### **(j) Investments and other financial assets**

##### **(i) 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), and
- those measured at amortised cost.

The classification depends on the company'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 the statement of profit and loss or other comprehensive income. For investments in equity instruments, 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.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### **(ii) 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 the statement of profit and loss.



### **Equity Instruments**

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the entity's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments

### **(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### **(iv) Derecognition 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 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

### **(v) Income Recognition**

#### **Interest income**

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### **Dividends**

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend

### **(k) 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.

### **(l) Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### **Depreciation Methods, estimated useful lives and residual value**

Depreciation is calculated using the straight-line method to allocate cost of assets, net of their residual values, over their estimated useful lives.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's experts which are same as those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives for the categories of property, plant and equipment are:

<b>Particulars</b>	<b>Estimated useful life (years)</b>
Buildings	5 to 60 years
Plant and machinery	3 to 25 years
Furniture and fixtures	3 to 05 years
Office Equipment	3 to 14 years
Vehicles	3 to 10 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

#### **(m) Intangible assets**

Intangible assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment, if any. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and impairment, if any.

##### **i) Software costs**

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Software costs includes license fees and cost of implementation/system integration services, where applicable.

Computer Software are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 5 years from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end.

##### **ii) Mining Assets**

Mining Assets includes net present value for forest proposal i.e. the amount paid and incurred towards forest and environment restoration required as a result of mining activities to be carried out by the company. It also includes stamp duty and registration fees paid by the company for obtaining the mining lease rights.

These are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 50 years from the date they are available for use.

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

<b>Particulars</b>	<b>Estimated useful life (years)</b>
Software Costs	5 years
Mining Assets	50 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

#### **(n) Trade and other payables:**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-45 days of recognition. 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.

#### **(o) Borrowing costs**

Borrowing costs include interest and other costs incurred in connection with borrowings which are expensed in the period in which they are incurred.

#### **(p) Provisions**

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### **(a) Employee Benefits**

##### **(i) Short-term obligations**

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

**(ii) Other Long Term Benefits Obligation**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Gratuity Obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

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

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

**(iv) Defined contribution plans**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments

**(r) Foreign Currency Transactions****(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Tata Steel Mining Limited's functional and presentation currency.

**(ii) Transactions and balances**

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 the statement of 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.

**(s) Earnings Per Share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. (Refer Note 30)

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion

**(t) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**TATA STEEL MINING LIMITED**  
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**Note 6: Investments**

	As at March 31, 2022	As at March 31, 2021
<b>Investment in equity instruments (Unquoted)#</b>		
1,62,64,484 (As at March 31, 2021: 1,62,64,484) equity shares of Bhubaneswar Power Private Limited of Rs. 10 each, fully paid up	2,564.91	3,262.66
<b>Total Non-current investment</b>	<b>2,564.91</b>	<b>3,262.66</b>
<b>Aggregate carrying amount of unquoted investments</b>	<b>2,564.91</b>	<b>3,262.66</b>

**Note:**

Tata Steel Mining Limited has invested in equity shares of Bhubaneswar Power Private Limited (BPPL) which is equal to 6.42% of total share capital of the BPPL. The investment is carried at fair value.

**Note 7: Other financial assets**

	As at March 31, 2022	As at March 31, 2021
<b>(i) Non current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Security Deposits#	989.67	938.92
(b) Interest accrued on deposits, loans and advances		
Considered doubtful	26.90	26.90
Less: Provision for doubtful interest accrued on deposits, loans and advances	(26.90)	(26.90)
(c) Unrestricted, fixed deposits maturing after twelve months from the Balance sheet date	-	-
(d) Lease receivables	2.60	2.34
<b>Total Other financial assets - non current</b>	<b>992.27</b>	<b>941.26</b>
<b>(ii) Current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Security Deposits	1.38	1.38
(b) Interest accrued on deposits, loans and advances	193.26	72.41
(c) Lease receivables	0.26	0.26
<b>Total Other financial assets - current</b>	<b>194.90</b>	<b>74.05</b>

# Security Deposit amounting to Rs. 8.24 lakhs includes FD and NSC pledged with Government Authorities.

**Note 8: Retirement Benefit Assets**

	As at March 31, 2022	As at March 31, 2021
Gratuity	44.57	65.49
<b>Total Retirement Benefit Assets</b>	<b>44.57</b>	<b>65.49</b>

**Note 9: Other Assets**

	As at March 31, 2022	As at March 31, 2021
<b>(i) Non Current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Capital Advances	56.14	393.77
(b) Advances with public bodies		
Considered good	12,254.25	13.44
Considered doubtful	3.92	3.92
Less: Provision for doubtful advances	(3.92)	(3.92)
(c) Prepaid expenses	-	4.62
(d) Other non-financial assets	0.10	0.10
<b>Total Other non current assets</b>	<b>12,310.49</b>	<b>411.93</b>
<b>(ii) Current</b>		
(a) Balances with government authorities	45,550.17	10,229.53
(b) Advances to suppliers and service providers	98.07	24.85
(c) Prepaid expenses	119.37	41.86
<b>Total Other current assets</b>	<b>45,767.61</b>	<b>10,296.24</b>

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(Amounts in Rs. Lakhs, unless stated otherwise)

**Note 10: Income-tax Assets (Net)**

	As at March 31, 2022	As at March 31, 2021
Advance taxes (including tax deducted at sources) [Net of provisions for taxes Rs. _____ Lakhs, As at March 31, 2021: Rs. _____ Lakhs]	1,255.61	537.36
<b>Total Other current assets</b>	<b>1,255.61</b>	<b>537.36</b>

**Note 11: Inventories**

(Valued at lower of costs or net realisable value)

	As at March 31, 2022	As at March 31, 2021
(a) Raw Materials	148,328.37	105,522.96
(b) Work in progress	-	-
(c) Finished Goods	11,525.79	7,787.00
(d) Stores and Spares	1,280.88	966.89
<b>Total Inventories</b>	<b>161,135.04</b>	<b>114,276.85</b>

**Note 12: Trade receivables**

(Unsecured, considered good, unless stated otherwise)

	As at March 31, 2022	As at March 31, 2021
Trade receivables, unsecured, considered good	22,964.89	14,268.13
Trade receivables, having significant increase in credit risk	-	-
Trade receivables, credit impaired	-	-
	22,964.89	14,268.13
Less: Allowances for expected credit losses	-	-
<b>Total Trade receivables</b>	<b>22,964.89</b>	<b>14,268.13</b>

**Ageing of trade receivables**

Age bracket	As at March 31, 2022				Total
	Undisputed trade receivables – considered good	Undisputed trade receivables – considered doubtful	Disputed trade receivables considered good	Disputed trade receivables considered doubtful	
Less than 6 months	22,927.77	-	-	-	22,927.77
6 months to 1 year	37.12	-	-	-	37.12
1 year 2 years	-	-	-	-	-
2 years to 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
<b>Total Ageing of receivables</b>	<b>22,964.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,964.89</b>

  

Age bracket	As at March 31, 2021				Total
	Undisputed trade receivables – considered good	Undisputed trade receivables – considered doubtful	Disputed trade receivables considered good	Disputed trade receivables considered doubtful	
Less than 6 months	14,170.62	-	-	-	14,170.62
6 months to 1 year	97.51	-	-	-	97.51
1 year 2 years	-	-	-	-	-
2 years to 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
<b>Total Ageing of receivables</b>	<b>14,268.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,268.13</b>

**Note:**

The ageing has been determined from the date when the aforesaid receivables have become due for payment. Refer Note xx on credit risk for more details.

**Note 13: Cash and cash equivalents**

	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.03	0.10
Cheques on hand	-	-
Balances with bank in current accounts	14,617.84	1,620.32
Balances with bank in deposit accounts*	7,203.21	13,800.00
<b>Total cash and cash equivalents</b>	<b>21,821.08</b>	<b>15,420.42</b>

\*Original maturity of less than three months

**Note 14: Other balances with bank**

	As at March 31, 2022	As at March 31, 2021
In deposit accounts having maturity more than three months but less than twelve months	-	3.00
<b>Total other balances with banks</b>	<b>-</b>	<b>3.00</b>

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**Note 3: Property, plant and equipment**

	Freehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Total
<b>Cost / Deemed cost</b>							
Balance at April 1, 2020	11.81	1,590.72	5,948.18	25.50	129.24	47.60	7,753.05
Additions	-	868.65	4,520.30	12.56	148.76	174.32	5,724.59
Disposals	-	-	-	-	-	(19.16)	(19.16)
<b>Balance at March 31, 2021</b>	<b>11.81</b>	<b>2,459.37</b>	<b>10,468.48</b>	<b>38.06</b>	<b>278.00</b>	<b>202.76</b>	<b>13,458.48</b>
Additions	-	-	550.00	26.46	33.64	-	610.10
Disposals	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>11.81</b>	<b>2,459.37</b>	<b>11,018.48</b>	<b>64.52</b>	<b>311.64</b>	<b>202.76</b>	<b>14,068.58</b>
<b>Accumulated depreciation</b>							
Balance at April 1, 2020	-	383.09	2,407.31	20.22	84.18	18.56	2,913.36
Depreciation expense	-	76.47	847.41	4.03	83.11	26.20	1,037.22
Disposals	-	-	-	-	-	(8.61)	(8.61)
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>459.56</b>	<b>3,254.72</b>	<b>24.25</b>	<b>167.29</b>	<b>36.15</b>	<b>3,941.97</b>
Depreciation expense	-	83.95	948.74	7.63	71.84	40.37	1,152.53
Disposals	-	-	-	-	-	-	-
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>543.51</b>	<b>4,203.46</b>	<b>31.88</b>	<b>239.13</b>	<b>76.52</b>	<b>5,094.50</b>
<b>Carrying amount</b>							
<b>Balance at March 31, 2021</b>	<b>11.81</b>	<b>1,999.81</b>	<b>7,213.76</b>	<b>13.81</b>	<b>110.71</b>	<b>166.61</b>	<b>9,516.51</b>
<b>Balance as at March 31, 2022</b>	<b>11.81</b>	<b>1,915.86</b>	<b>6,815.02</b>	<b>32.64</b>	<b>72.51</b>	<b>126.24</b>	<b>8,974.09</b>

**Note:**

(a) The title deeds of immovable properties are held in the name of the Company. In respect of land, the title deed is yet to be transferred in the name of the Company.

(b) Refer Note 29 for contractual commitments for the acquisition of Property, plant and equipments.

**(d) Movement in Capital work in progress and its age analysis**

**(i) Movement in Capital work in progress**

Particulars	FY 2021-22	FY 2020-21
Balance at the beginning of the year	70.70	70.70
Additions during the year	6.21	-
Capitalised during the year	6.21	-
Balance at the end of the year	<b>70.70</b>	<b>70.70</b>

**(ii) Age analysis of Capital work in progress**

Project	As at March 31, 2022				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Transfer Fee for Land (temporarily suspended)	-	-	-	70.70	<b>70.70</b>
	-	-	-	-	-
	-	-	-	<b>70.70</b>	<b>70.70</b>
Project	As at March 31, 2021				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Transfer Fee for Land (temporarily suspended)	-	-	-	70.70	<b>70.70</b>
	-	-	-	-	-
	-	-	-	<b>70.70</b>	<b>70.70</b>

**Reasons for suspended projects and expectation for completion**

Capital work-in-progress comprises of transfer fees of 143.5 acres of Government Land allotted by IDCO in favor of Rawmet Ferrous Industries Ltd (now known as Tata Steel Mining Limited). The Company has requested to IDCO to reconsider the manner of computation of transfer fees. Pending resolution of the matter, the amount demanded by IDCO is included in the CWIP as temporarily suspended.

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**Note 4: Leases**

The Company has taken land on leases and also have contracts for liquid oxygen tank for a period of 5 years which qualify for accounting as leases.

**A. The changes in the carrying value of Right of Use assets :**

Particulars	Leasehold Land	Plant and Machinery	Total
<b>Gross Block</b>			
<b>Balance as at April 1, 2020</b>	557.14	15.24	572.38
Additions during the year	-	-	-
Deletions/cancellation/modification during the year	-	-	-
<b>Balance as at March 31, 2021</b>	<b>557.14</b>	<b>15.24</b>	<b>572.38</b>
Additions during the year	-	-	-
Deletions/cancellation/modification during the year	-	-	-
<b>Balance as at March 31, 2022</b>	<b>557.14</b>	<b>15.24</b>	<b>572.38</b>
<b>Accumulated Amortisation</b>			
<b>Balance as at March 31, 2020</b>	7.26	2.29	9.55
Charge for the year	7.24	3.04	10.28
Deletions/cancellation/modification during the year	-	-	-
<b>Balance as at March 31, 2021</b>	<b>14.50</b>	<b>5.33</b>	<b>19.83</b>
Charge for the year	7.24	3.04	10.28
Deletions/cancellation/modification during the year	-	-	-
<b>Balance as at March 31, 2022</b>	<b>21.74</b>	<b>8.37</b>	<b>30.11</b>
<b>Net carrying amount as at March 31, 2021</b>	542.64	9.91	552.55
<b>Net carrying amount as at March 31, 2022</b>	535.40	6.87	542.27

The aggregate depreciation expense on RoU assets is included under depreciation expense in the Statement of profit and loss.

**B Movement in lease liabilities :**

Particulars	Lease Obligations
<b>Balance as at March 31, 2020</b>	19.19
Additions during the year	-
Deletions during the year	-
Finance cost accrued during the year	1.78
Payment of lease liabilities	(4.46)
<b>Balance as at March 31, 2021</b>	<b>16.51</b>
Additions during the year	-
Deletions during the year	-
Finance cost accrued during the year	1.52
Payment of lease liabilities	(1.52)
<b>Balance as at March 31, 2022</b>	<b>16.51</b>

**C The break-up of current and non-current lease liabilities as at the year end:**

Particulars	As at March 31, 2022	As at March 31, 2021
Current	2.95	2.95
Non-current	13.15	13.56
<b>Total</b>	<b>16.10</b>	<b>16.51</b>

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D The details of contractual maturities of lease liabilities as at the year end on undiscounted basis are as follows:

<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Less than one year	-	-
One to five years	-	-
More than five years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

E The amount recognised in the statement of profit or loss are as follows:

<b>Particulars</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Depreciation expense of right-of-use assets	10.28	10.28
Interest expense on lease liabilities	1.52	1.78
Rent expense - short-term lease and leases of low value assets	-	-
<b>Total</b>	<b>11.80</b>	<b>12.06</b>



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**Note 5: Intangible assets**

	<b>Computer Software (Acquired)</b>	<b>Mining Assets</b>	<b>Total</b>
<b>Cost / Deemed cost</b>			
Balance as at April 1, 2020	5.95	-	5.95
Additions	104.80	23,250.21	23,355.01
Disposals	-	-	-
Balance as at March 31, 2021	<b>110.75</b>	<b>23,250.21</b>	<b>23,360.96</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2022</b>	<b>110.75</b>	<b>23,250.21</b>	<b>23,360.96</b>
<b>Accumulated depreciation</b>			
Balance as at April 1, 2020	2.27	-	2.27
Depreciation expense	9.92	360.05	369.97
Disposals	-	-	-
Balance as at March 31, 2021	<b>12.19</b>	<b>360.05</b>	<b>372.24</b>
Depreciation expense	11.08	476.08	487.16
Disposals	-	-	-
<b>Balance as at March 31, 2022</b>	<b>23.27</b>	<b>836.13</b>	<b>859.40</b>
<b>Carrying amount</b>			
Balance as at March 31, 2021	98.56	22,890.16	22,988.72
<b>Balance as at March 31, 2022</b>	<b>87.48</b>	<b>22,414.08</b>	<b>22,501.56</b>

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**Note 17: Income Taxes**

**(a) Analysis of Income tax (expenses)/credit recognised in the Statement of Profit and Loss**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current taxes	-	-
Deferred taxes	(19,353.96)	313.71
	<b>(19,353.96)</b>	<b>313.71</b>

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised provision for income tax for the year ended on March 31, 2021 and remeasured their deferred tax balances basis the rate prescribed in the said section.

**FY 2021-22**

	Balance at at beginning of the year	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in other comprehensive income	Balance at at end of the year
<b>Deferred tax assets</b>				
Provisions	7.75	11,406.69	-	11,414.44
Retirement benefit assets/ liabilities	1.45	13.05	(10.33)	4.17
Tax losses	5,421.37	7,806.74	-	13,228.11
Lease liabilities	4.15	(0.10)	-	4.05
MAT Credit	-	-	-	-
	<b>5,434.72</b>	<b>19,226.38</b>	<b>(10.33)</b>	<b>24,650.77</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	6,359.09	(137.15)	-	6,221.94
Right of Use Assets	3.27	(0.78)	-	2.49
Fair valuation of investment	281.50	(176.05)	-	105.45
	<b>6,643.86</b>	<b>(313.98)</b>	<b>-</b>	<b>6,329.88</b>
	<b>(1,209.14)</b>	<b>19,540.35</b>	<b>(10.33)</b>	<b>18,320.88</b>

**FY 2020-21**

	Balance at at beginning of the year	Deferred tax expense/ (income) recognised in profit and loss	Deferred tax expense/ (income) recognised in other comprehensive income	Balance at at end of the year
<b>Deferred tax assets</b>				
Provisions	8.57	(0.82)	-	7.75
Retirement benefit assets/ liabilities	8.64	(8.27)	1.08	1.45
Tax losses	-	5,421.37	-	5,421.37
Lease liabilities	4.84	(0.69)	-	4.15
MAT Credit	43.70	(43.70)	-	-
<b>Total deferred tax assets</b>	<b>65.75</b>	<b>5,367.89</b>	<b>1.08</b>	<b>5,434.72</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	676.79	5,682.30	-	6,359.09
Right of Use Assets	3.97	(0.70)	-	3.27
Fair valuation of investment	117.15	-	164.35	281.50
<b>Total deferred tax liabilities</b>	<b>797.91</b>	<b>5,681.60</b>	<b>164.35</b>	<b>6,643.86</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(732.16)</b>	<b>(313.71)</b>	<b>(163.27)</b>	<b>(1,209.14)</b>

**Note 18: Borrowings**

**(i) Current**

(a) Loan from group companies- Inter Corporate deposits

	As at March 31, 2022	As at March 31, 2021
Total Borrowings	79,000.00	-
	<b>79,000.00</b>	<b>-</b>

**Note 19: Trade payables**

(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note xx)  
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2022	As at March 31, 2021
Total Trade payables	3,203.03	5.85
	<b>61,199.98</b>	<b>26,481.46</b>
	<b>64,403.01</b>	<b>26,487.31</b>

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**Note 20: Other financial liabilities**

	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued and due on borrowings	747.62	55.83
(b) Payables for capital goods and services	87.64	137.04
(b) Payables for accrued wages and salaries	480.87	251.16
<b>Total Other financial liabilities</b>	<b>1,316.13</b>	<b>444.03</b>

**Note 21: Short-term provisions**

	As at March 31, 2022	As at March 31, 2021
(a) Provisions for employee benedits Compensated absences	98.66	69.53
<b>Total Short-term provisions</b>	<b>98.66</b>	<b>69.53</b>

**Note 22: Other current liabilities**

	As at March 31, 2022	As at March 31, 2021
(a) Advances received from customers	2,244.56	2,068.18
(b) Employee recoveries and employer contributions	20.14	15.08
(c) Statutory Dues (Royalty, Bid Premium, GST, TDS, cess etc)	170,273.71	65,504.87
<b>Total Other current liabilities</b>	<b>172,538.41</b>	<b>67,588.13</b>

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**Note 23: Revenue from operations**

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from contract with customers</b>		
(a) Sale of products	454,258	36,929
(b) Sale of services	3,812	16,339
(c) Other operating revenues		
(i) Sale of scrap	10	38
(ii) Export Incentives	2,456	209
(iii) Operation and maintenance services	-	-
<b>Total revenue from operations</b>	<b>460,535</b>	<b>53,515</b>

**Note:**

(a) The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

(b) The Company does not have any significant adjustments between the contracted price and revenue recognized in the Statement of Profit and Loss.

**Note 24: Other income**

	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest income on financial assets measured at amortised cost		
Interest income from deposits with banks	595.97	110
(b) Interest on Income-tax refunds	66.48	47
(c) Other miscellaneous income (Refer Note (i) below)	74.52	1
<b>Total other income</b>	<b>736.97</b>	<b>158</b>

**Note:**

(i) Includes interest income on lease receivable Rs. 0.26 lakhs (March 31, 2021: Rs. 0.26 lakhs)

**Note 25: Cost of materials consumed**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	105,522.96	218
Purchases made during the year	102,129.03	13,762
Balance at the end of the year	(148,328.37)	(105,523)
<b>Total cost of materials consumed</b>	<b>59,323.62</b>	<b>(91,542)</b>

**Note 26: Changes in inventories of finished goods and stock in trade**

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Balance at the beginning of the year</b>		
Work in Progress	-	-
Finished Goods	7,787.00	74
<b>Balance at the end of the year</b>		
Work in Progress	-	-
Finished Goods	11,525.79	7,787
<b>Total changes in inventories of work in progress and finished goods</b>	<b>(3,738.79)</b>	<b>(7,713)</b>

**Note 27: Employee benefits expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Salaries, Wages and Bonus	4,467.77	2,557.47
Contribution to provident and other funds	100.09	73.70
Gratuity	14.37	12.61
Staff welfare expenses	335.10	93.09
<b>Total employee benefits expense</b>	<b>4,917.33</b>	<b>2,736.87</b>

**Note 28: Finance costs**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Interest on financial liabilities measured at amortised cost		
Interest expenses on loans	934.11	1,124.63
Interest on lease obligations	1.52	1.78
Other borrowing costs	652.34	59.75
<b>Total finance costs</b>	<b>1,587.97</b>	<b>1,186.16</b>

**Note 29: Depreciation and amortisation expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Depreciation on property, plant and equipments	1,152.53	1,037.22
Amortisation of Intangible assets	487.16	369.97
Depreciation of right of use assets	10.28	10.28
<b>Total depreciation and amortisation expense</b>	<b>1,649.97</b>	<b>1,417.47</b>

**Note 30: Other expenses**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
(a) Repairs and maintenance		
- buildings	484.54	138
- plant and machinery	1,257.65	626
- others	58.90	186
(b) Royalty and Bid Premium	347,195.59	112,545
(c) Conversion charges	109,650.13	9,434
(d) Rates and taxes	136.39	91
(e) Consumption of stores and spares	6,120.79	3,191
(f) Job processing and other machining charges (including contract labour charges)	19,668.88	4,527
(g) Legal and other professional costs	416.22	122
(h) Auditors Remuneration [Refer (a) below]	15.51	18
(i) Security charges	949.78	542
(j) Loss on sale of assets	-	9
(k) Raw material handling charges	4,284.13	661
(l) Operation and maintenace expense	-	827
(m) Commission expenses	101.49	-
(n) Provision for doubtful advances	-	-
(o) Miscellaneous expenses	8,621.31	2,075
<b>Total other expenses</b>	<b>498,961.31</b>	<b>134,992</b>

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**Notes to Financial Statements**

**Amount in INR (Lakhs)**

**33A. Fair Value Measurements**

**Financial instruments by category and fair value hierarchy**

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

<b>As at March 31, 2022</b>	<b>Amortised cost</b>	<b>FVTPL</b>	<b>FVOCI</b>	<b>Total carrying value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>								
Investments								
- Equity instruments (Refer Note (a) below)	-	-	2,564.91	2,564.91	-	-	2,564.91	2,564.91
Trade receivables	22,964.89	-	-	22,964.89	-	-	-	-
Cash and cash equivalents	21,821.08	-	-	21,821.08	-	-	-	-
Other Bank balances	-	-	-	-	-	-	-	-
Other financial assets	1,187.17	-	-	1,187.17	-	-	-	-
<b>Total financial assets</b>	<b>45,973.14</b>	<b>-</b>	<b>2,564.91</b>	<b>48,538.05</b>	<b>-</b>	<b>-</b>	<b>2,564.91</b>	<b>2,564.91</b>
<b>Financial liabilities</b>								
Lease liabilities	16.10	-	-	16.10	-	-	-	-
Trade payables	64,403.01	-	-	64,403.01	-	-	-	-
Other financial liabilities	1,316.13	-	-	1,316.13	-	-	-	-
<b>Total financial liabilities</b>	<b>65,735.24</b>	<b>-</b>	<b>-</b>	<b>65,735.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2021</b>								
	<b>Amortised cost</b>	<b>FVTPL</b>	<b>FVOCI</b>	<b>Total carrying value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>								
Investments								
- Equity instruments (Refer Note (a) below)	-	-	3,262.66	3,262.66	-	-	3,262.66	3,262.66
Trade receivables	14,268.13	-	-	14,268.13	-	-	-	-
Cash and cash equivalents	15,420.42	-	-	15,420.42	-	-	-	-
Other Bank balances	3.00	-	-	3.00	-	-	-	-
Other financial assets	1,015.31	-	-	1,015.31	-	-	-	-
<b>Total financial assets</b>	<b>30,706.86</b>	<b>-</b>	<b>3,262.66</b>	<b>33,969.52</b>	<b>-</b>	<b>-</b>	<b>3,262.66</b>	<b>3,262.66</b>
<b>Financial liabilities</b>								
Lease liabilities	16.51	-	-	16.51	-	-	-	-
Trade payables	26,487.31	-	-	26,487.31	-	-	-	-
Other financial liabilities	444.03	-	-	444.03	-	-	-	-
<b>Total financial liabilities</b>	<b>26,947.85</b>	<b>-</b>	<b>-</b>	<b>26,947.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes:**

(a) The equity securities which are not held for trading, and for which the company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the company considered this to be more relevant.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between levels 1 and 2 during the year.

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**Amount in INR (Lakhs)**

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- (a) For unlisted equity securities, the fair values have been determined based on discounted cash flows.  
(b) The carrying amount of remaining financial assets and liabilities are considered to be the same as their fair values.

**(iii) Disclosures related to unlisted equity shares categorised through level 3**

(a) The following table presents the changes in level 3 items for the periods ended 31 March 2022 and 31 March 2021:

Particulars	Unlisted equity shares	Total
As at 1 April 2020	2,444.56	2,444.56
Gains (losses) recognised in other comprehensive income	818.10	818.10
<b>As at 31 March 2020</b>	<b>3,262.66</b>	<b>3,262.66</b>
Gains (losses) recognised in other comprehensive income	(697.75)	(697.75)
<b>As at 31 March 2021</b>	<b>2,564.91</b>	<b>2,564.91</b>

(b) Valuation inputs and relationships to fair value

Particulars	Fair value as at		Significant unobservable inputs
	31 March 2022	31 March 2021	
Unlisted equity shares	2,564.91	3,262.66	Weighted average cost of capital

**(c) Valuation processes**

The finance department of the company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held in the finance department once every year, in line with the company's reporting period.

The main level 3 input for unlisted equity securities used by the company is derived and evaluated as follows:

- Weighted average cost of capital are based on beta of companies operating in similar industry considering inter alia the nature of business, stage of current operations, etc.

**(iv) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets, lease liabilities and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

**33B. Financial risk management**

The Company's principal financial liabilities comprises of trade payables and other financial liabilities. The main purpose of these financial instruments is to manage short-term cash flow and generate finances for the Company's capital expenditure program. The Company has various financial assets such as trade receivable, long-term deposits, short-term deposits and cash, which arise directly from its operations.

**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, foreign currency risk, liquidity risk and credit risk. Management and board

**(i) Market risks**

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, trade receivables, other financial assets, trade payables and other financial liabilities.

**(a) 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. The company's foreign currency exposure at the end of the reporting period expressed in Rs. (foreign currency multiplied by closing rate) are as follows:

Particulars	31 March 2022 INR (lakhs)	31 March 2021 INR (lakhs)
<b>Financial assets</b>		
Trade receivables	13,532.67	10,291.59
<b>Net exposure to foreign currency risk (assets)</b>	<b>13,532.67</b>	<b>10,291.59</b>
<b>Financial liabilities</b>		
Trade payables	20,854.44	6,617.38
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>20,854.44</b>	<b>6,617.38</b>
<b>Net exposure to foreign currency risk (assets less liabilities)</b>	<b>(7,321.77)</b>	<b>3,674.21</b>

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate, with all other variables held constant:

	Changes in USD rate (%)	Foreign currency (payable)/receivable (INR)	Effect on profit before tax
31 March 2022	5%	(7,321.77)	(366.09)
	-5%		366.09
31 March 2021	5%	3,674.21	183.71
	-5%		(183.71)

**(b) 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. As the company generally has only short term borrowings in the nature of cash credits from banks and loan from parent company there is no significant exposure to the interest rate risk but only to the extent of recognition of interest portion of financial instrument classified at amortized cost. The company manages its interest risk exposure relating to the financial instrument classified at amortised cost by using the market interest rate as the effective interest rate and the changes in the assets and liabilities is accounted for as interest income/expenses with respect to financial assets/financial liabilities respectively.

However, as there is no significant exposure to the interest rate risk, the sensitivity analysis has not been performed by the Company.

**(c) 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 shares apart from the investment in Bhubaneswar Power Private Limited which is a fellow subsidiary and is fair valued in the financial statement. The shares of Bhubaneswar Power Private Limited are unlisted. They are however exposed to changes in value arising from changes in expectations of equity returns, etc.

**(ii) Credit risks**

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.

Financial instruments that are subjected to concentration of credit risk principally consists of trade receivables and loans. None of the financial instruments of the company results in the material concentration of the credit risk.



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**28. Contingent liabilities**

The company has contingent liabilities at 31 March 2022 in respect of:  
(i) Claims against the company not acknowledged as debts

**Contingent liabilities not provided for:**

- (a) Disputed Excise duty  
(b) Disputed Income tax  
(c) Water conservation fund (WCF)  
(d) Central Sales Tax  
**Total**

	As at March 31, 2022	Amount in INR (Lakhs) As at March 31, 2021
(a)	681.77	659.22
(b)	123.24	123.24
(c)	250.00	250.00
(d)	5.48	-
<b>Total</b>	<b>1,060.49</b>	<b>1,032.46</b>

In the ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

As at March 31, 2022, there were pending litigations relating to excise duty, income tax, sales tax and water conservation fund involving demands of amounts disclosed above.

**29. Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2022: 375.47 Lakhs (March 31, 2021: Nil, Net of advance: Nil)

**30. Earnings per share**

- (a) Net profit for the year  
(b) No. of equity shares at the beginning of the year  
(c) No. of equity shares at the end of the year  
(d) Weighted average no. of equity shares outstanding during the year  
**Earnings per equity share**

	March 31, 2022	March 31, 2021
(a)	(94,219.92)	1,112.15
(b)	485,071,068	65,707,544
(c)	485,071,068	485,071,068
(d)	485,071,068	304,759,768

Earnings per equity share - Basic and Diluted (Rs.)

(19.42)                      0.36

**31. Related party transactions**

**(a) List of related parties and relationship**

**Name of the related party**

- (i) Tata Steel Limited  
(ii) Tata Steel Long Product Limited (Formerly Tata Sponge Iron Limited)  
(iii) Tata Steel BSL Limited (w.e.f. 02 November 2021 merged with Tata Steel Limited)  
(iv) M Junction services limited  
(v) Tata Steel Utilities & Infrastructure Services Ltd.  
(Formerly Jamshedpur Utility and Services Company Limited)  
(vi) TKM Global Logistics Limited  
(vii) Indian Steel & Wire Products Limited (ISWP)  
(viii) T S Global Procurement Company PTE Limited  
(Formerly known as Tata Steel International (Singapore) Holdings Pte Limited)  
(ix) Bhubaneswar Power Private Limited  
(x) Tata Steel Foundation  
(xi) TM International Logistics Limited  
(xii) Tata Steel Downstream Product Limited (earlier known as Tata Steel Processing and Distribution Limited)  
(xiii) T S Alloys Employees Gratuity Trust

**Relationship**

- Holding Company  
Fellow subsidiary  
Fellow subsidiary  
Joint Venture of Tata Steel Limited  
Fellow subsidiary  
Joint Venture of Tata Steel Limited  
Fellow subsidiary  
Fellow subsidiary  
Fellow subsidiary  
Fellow subsidiary  
Joint Venture of Tata Steel Limited  
Fellow Subsidiary  
Fellow Subsidiary  
Fellow Subsidiary  
Retirement benefit plan

**(b) Transactions with related parties**

**Amount in INR (Lakhs)**

**The following transactions occurred with related parties:**

Name of the related party	Nature of transactions	Year ended	
		March 31, 2022	March 31, 2021
Tata Steel Limited	Conversion Income	-	16,830.38
	Operation and Maintenance Services	3,811.66	1,566.70
	Employee Benefit Expense*	2,676.96	1,760.64
	Services received for IT services for SAP	14,538.96	93.41
	Reimbursement of Expenses	104.16	278.03
	Sale of Goods	2,990.01	-
	Purchase of Raw Materials	5,162.63	506.82
	Purchase of Property, Plant and Equipment	-	6,019.18
	Interest on Inter-Corporate Deposit	869.43	1,124.52
	Inter-Corporate Deposit Received	108,000.00	75,660.00
	Inter-Corporate Deposit Repaid	29,000.00	76,700.18
	Subscription for New Equity Shares	-	82,698.49
Bhubaneswar Power Private Limited	Reimbursement of expense	0.26	0.39
	Reimbursement of Sublease Expense	9,266.20	9,233.53
	Purchase of Power	-	-
T S Global Procurement Co Pte. Ltd.	Sale of Goods	222,892.99	19,315.55
	Purchase of Raw Materials	62,859.43	7,810.20
Tata Steel Long Product Limited	Sale of Goods	5,522.67	962.08
Tata Steel BSL Ltd	Sale of Goods	344.74	19.22
	Purchase of Raw Materials	1,419.37	-
M Junction services Limited	Receiving of Service	-	19.47
Tata Steel Utilities & Infrastructure Services Ltd.	Receiving of Service	819.40	321.55
TKM Global Logistics Ltd.	Receiving of Service	619.19	79.49
Indian Steel & Wire Products Limited	Purchase of Stores & Spares	-	1.91
TM International Logistics Ltd	Receiving of Service	22.48	6.74
Tata Steel Foundation	Receiving of Service	166.11	61.00
Tata Steel Downstream Product Limited	Purchase of Goods	-	-
T S Alloys Employees Gratuity Trust	Contribution to Trust	34.49	17.74
Mr. Bibhudutta Nanda (Managing Director upto June 1, 2020)	Sale of Property, Plant & Equipment	-	1.60
Key Management Personnel	Short Term Employees Benefit	7.95	45.30
	Post Employment Benefits	5.23	6.99
	Other Long Term Benefits	1.34	1.22

**(c) Outstanding balances at the end of the period**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Name of the related party	Nature of balances	As at March 31, 2022	As at March 31, 2021
Tata Steel Limited	Trade Receivables	3,700.34	1,644.19
	Interest accrued and due on borrowings	691.79	55.83
	Inter-Corporate Deposit	79,000.00	
	Trade Payables	6,861.32	1,044.49
Tata Steel Long Product Limited	Trade Receivables	589.15	545.48
Tata Steel BSI Ltd	Trade Receivables	-	19.22
T S Global Procurement Co Pte. Ltd.	Trade Receivables	13,532.67	10,291.59
	Trade Payables	20,854.44	6,617.38
TSM Global Logistics Ltd.	Trade Payables	69.51	77.90
Tata Steel Utilities & Infrastructure Services Ltd.	Trade Payables	562.14	315.12
Indian Steel & Wire Products Limited	Trade Payables	-	1.09
TM International Logistics Ltd	Trade Payables	-	6.60
T S Alloys Employees Gratuity Trust	Fund Balance with Trustee	230.51	181.74
M Junction services Limited	Advance from Customers	200.00	-
Bhubaneswar Power Private Limited	Trade Payables	661.62	671.33

**Notes:**

(iii) All outstanding balance are unsecured and considered good, payable in cash.

(iii) Transaction amount includes GST and TCS

\*Employee benefit expense includes deputation cost of the managing director (till Nov 30, 2021) Mr M. C. Thomas for Rs. 128.43 lakhs (March 31, 2021: 134.42 lakhs), managing director (w.e.f. Dec 01, 2021) Mr Pankaj Kumar Satija for Rs. 69.59 Lakhs (March 31, 2021: Nil), CFO (upto Nov 15, 2021) Mr Pushkar Sharma for Rs 28.97 lakhs (March 31, 2021: 30.65 Lakhs) and CFO (w.e.f. Nov 16, 2021 for Rs. 40.45Lakhs (Mar 31, 2021: Nil).

**32. Employee benefit obligations**

**(a) Defined contribution plans**

The Company provides Provident Fund benefit to all employees and Employees State Insurance benefit to selected employees. Under these schemes fixed contributions are paid to Government provident fund. The Company has made the following contributions which are recognised as expense in the statement of profit and loss for year in which the services are rendered by employees. The Company have no further obligations under the plan beyond its monthly contributions.

	Amount in INR (Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Contribution to Provident fund	89.72	61.96
(ii) Contribution to ESIC	10.37	11.74
	<b>100.09</b>	<b>73.70</b>

**(b) The Company operates post retirement defined benefit plans and other long term employee benefits as follows:**

**A. Post retirement defined benefit plans - Gratuity**

The company provides for gratuity, a defined benefit plan, covering eligible employees. The scheme is funded by way of a separate irrevocable Trust and the company makes regular contributions to the Trust. The Trust makes payment to the employees on exit by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit.

**B. Other long term employee benefits plans - Compensated absences**

The leave obligations cover the company's liability for other long term benefit plans. This is an unfunded plan which provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the accumulated leave balances and paid as lump sum at exit. Compensated absences cover the company's liability for earned leave.

As the company does not have an unconditional right to defer the payment beyond 12 months, the entire amount has been treated as current.

**(c) Details of the gratuity and compensated absences benefit are as follows:**

Description	Amount in INR (Lakhs)			
	2021-22		2020-21	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>1. Reconciliation of opening and closing balances of obligation</b>				
a. Obligation as at beginning of the year	116.25	54.77	126.28	57.10
b. Current service cost	20.07	9.75	15.99	7.77
c. Interest cost	7.97	3.63	8.35	3.32
d. Actuarial (gain)/loss	43.27	20.13	(3.57)	3.27
e. Acquisition cost / (credit)	-	-	(23.88)	-
f. Benefits paid	(1.63)	(4.36)	(6.92)	(16.69)
<b>Obligation as at the end of the year</b>	<b>185.93</b>	<b>83.92</b>	<b>116.25</b>	<b>54.77</b>
<b>2. Change in fair value of plan assets</b>				
a. Fair value of plan assets as at the beginning of the year	181.74	-	167.07	-
b. Expected return on plan assets	13.67	-	11.73	-
c. Actuarial gain/(loss)	2.23	-	(7.88)	-
d. Contributions made by the Company	34.49	-	17.74	-
e. Benefits paid	(1.63)	-	(6.92)	-
<b>Fair value of plan assets as at the end of the year</b>	<b>230.50</b>	<b>-</b>	<b>181.74</b>	<b>-</b>
<b>3. Reconciliation of fair value of plan assets and obligations</b>				
a. Fair value of plan assets as at the end of the year	230.50	-	181.74	-
b. Present value of obligation as at the end of the year	185.93	83.92	116.25	54.77
<b>Amount recognised in the balance sheet assets/(liabilities) (Refer Note (i) below)</b>	<b>44.57</b>	<b>(83.92)</b>	<b>65.48</b>	<b>(54.77)</b>
<b>4. Expenses recognised in Statement of Profit &amp; Loss</b>				
a. Current service cost	20.07	9.75	15.99	7.77
b. Interest cost	(5.70)	3.63	(3.38)	3.32
c. Actuarial (gains)/loss	-	20.13	-	3.27
<b>Expenses recognised during the year (Refer Note (ii) below)</b>	<b>14.37</b>	<b>33.51</b>	<b>12.61</b>	<b>14.36</b>

**Tata Steel Mining Limited**  
(formerly known as T S Alloys Limited)  
**Notes to Financial Statements**

<b>5. Expenses recognised in Statement of Other Comprehensive Income</b>				
a. Actuarial (gain)/loss due to DBO experience	3.40	-	(1.78)	-
b. Actuarial (gain)/loss due to DBO assumption changes	39.87	-	(1.79)	-
c. Return on plan assets, excluding amounts included in interest expense/(income)	(2.23)	-	7.88	-
<b>Expenses recognised during the year</b>	<b>41.04</b>	<b>-</b>	<b>4.31</b>	<b>-</b>
<b>6. Investment details</b>				
a. Funds with Life Insurance Corporation of India	91%	NA	91%	NA
b. Fixed Deposit	9%	NA	9%	NA
<b>7. Assumptions</b>				
a. Discount rate (per annum)	7.30%	7.30%	6.90%	6.90%
b. Rate of escalation in salary (Refer Note (iii) below)	7.00%	7.00%	5.00%	5.00%

**Notes:**

- (i) In case of gratuity, the amount is recognised under "Retirement benefit assets" in Note 8 whereas for compensated absences the same is recognised under "Provisions for employee benefits" in Note 21.
- (ii) Expenses relating to gratuity are disclosed in Employee benefit expense and compensated absences the same is included in salaries and wages including bonus [Note 27].
- (iii) The estimates of future salary increases take into account inflation, seniority, promotion and other relevant factors.
- (iv) The weighted average duration of the defined benefit obligation as at March 31, 2022 is 12 years (March 31, 2021: 16 years).

**8. Net asset/(liability) recognized in balance sheet (including experience adjustment impact):**

<b>Gratuity</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
1. Present value of defined benefit obligation	(185.93)	(116.25)	(116.25)	(96.92)	(83.47)
2. Fair value of plan assets	230.50	181.74	181.74	141.11	105.53
3. Status [surplus/(deficit)]	44.57	65.49	65.49	44.19	22.06
<b>Compensated absences</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
1. Present value of defined benefit obligation	(83.92)	(54.77)	(54.77)	(43.44)	(37.33)
2. Fair value of plan assets	-	-	-	-	-
3. Status [surplus/(deficit)]	(83.92)	(54.77)	(54.77)	(43.44)	(37.33)

**9. Sensitivity analysis**

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

<b>Gratuity</b>	<b>Change in assumption</b>	<b>Impact on Scheme Liabilities</b>
<b>Assumption</b>		
Discount rate	1% Increase in Discount Rate	(19.90)
	1% Decrease in Discount Rate	23.53
Salary escalation	1% Increase in Salary Escalation Rate	23.38
	1% Decrease in Salary Escalation Rate	(20.13)
<b>Compensated Absences</b>	<b>Change in assumption</b>	<b>Impact on Defined Benefit Obligation</b>
<b>Assumption</b>		
Discount rate	1% Increase in Discount Rate	(8.71)
	1% Decrease in Discount Rate	10.32
Salary escalation rate	1% Increase in Salary Escalation Rate	10.25
	1% Decrease in Salary Escalation Rate	(8.81)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

- 10.** The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

**Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary Inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation

**Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**Change in Leave Balances :** This is the risk of variability of results due to a significant variation from expected accumulation of leave balances. All other aspects remaining

**34. Capital management**

**Risk management**

The company's objectives when managing capital are to:

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain optimal capital structure to reduce the cost of capital.

The company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the company.

**35. Net debt reconciliation**

	Amount in INR (Lakhs)	
	As at March 31, 2022	As at March 31, 2021
This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.		
Lease liabilities	(13.57)	(16.51)
Current borrowings including accrued interest	79,690.27	-
<b>Total</b>	<b>79,676.70</b>	<b>(16.51)</b>

	Liabilities from financing activities		Total
	Lease liabilities	Current borrowings including accrued interest	
<b>Net debt as at 1 April 2020</b>	<b>(19.19)</b>	<b>-</b>	<b>(19.19)</b>
Cash flows	-	-	-
Receipt of inter-corporate deposit	-	75,660.00	75,660.00
Repayment of inter-corporate deposit	-	(75,660.00)	(75,660.00)
Principal Repayment of Lease	3.90	-	3.90
Interest expense	(1.78)	(1,184.38)	(1,186.16)
Interest paid	0.56	1,184.38	1,184.94
<b>Net debt as at 31 March 2021</b>	<b>(16.51)</b>	<b>-</b>	<b>(16.51)</b>
Cash flows	-	-	-
Receipt of inter-corporate deposit	-	108,000.00	108,000.00
Repayment of inter-corporate deposit	-	(29,000.00)	(29,000.00)
Principal Repayment of Lease	3.90	-	3.90
Interest expense	(1.52)	(1,589.49)	(1,591.01)
Interest paid	0.56	2,279.76	2,280.32
<b>Net debt as at 31 March 2022</b>	<b>(13.57)</b>	<b>79,690.27</b>	<b>79,676.70</b>

**36.** The Company is engaged in the business of Excavating Chrome Ore & Producing Ferro Chrome, which come under a single business segment known as Ferro Alloys. The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers). The Company is domiciled in India.

**37. Impact of Covid 19 on business**

The Company has made a detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Investment and Trade Receivables at the balance sheet date, and has concluded that there are no material adjustments required in the financial statements.

Management believes that it has considered all the possible impact of known events arising from COVID 19 pandemic in the preparation of the financial statements. However, the impact of assessment of COVID 19 is a continuous process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes due to future economic conditions.

The impact of COVID-19 on the Company's financial statements may not differ from that estimated as at the date of approval of these financial statements.

**Tata Steel Mining Limited**  
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**38. Information relating to Micro and Small Enterprises (MSEs):**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(i) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the accounting year		
Principal	3,203.03	5.85
Interest	259.03	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the year		
Principal	-	-
Interest	-	-
(iii) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act		
Principal	-	-
Interest	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of information available with the Company.

**39.** The Name of Company has been changed from T S Alloys Limited to Tata Steel Mining Limited on May 19, 2020.

**40.** Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current year's figure.

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

**For and on behalf of the Board of Directors**

**Sd/-**  
**Managing Director**

**Sd/-**  
**Chief Financial Officer**